A Review of the New Brunswick Workers' Compensation Board

Phase 11
Vol. 1
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A report from

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February 11, 1987

The Honourable Michael McKee
Minister of Labour & Multiculturalism
Province of New Brunswick
P.O. Box 6000
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Dear Minister:

We are pleased to submit herewith our report with respect to our review of the Workers' Compensation Board - Phase II.

We appreciate the opportunity to have been of service to you and your Government and the personal interest and time which you have devoted to the study and its findings. We will look forward to working with you in the future.

Yours very truly

Stephen T. Wace
Partner

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1. METHODOLOGY

The consultants met initially with the Steering Committee on April 16, 1987 to review the terms of reference (see Appendix A), the role of the consultant in Phase II and the role of the Steering Committee. In addition the Steering Committee considered the nature, extent and timing of public notices to be placed throughout the Province inviting written briefs or requests from interested persons, parties and groups to appear before the Committee in public hearings.

Due to the summer vacation period and the desire to report prior to year end, the Committee decided to complete the public hearings prior to July 1.

The Steering Committee was comprised of Larry Fyfe, Stephen Beatteay, Peter Quinn and Alan Young representing New Brunswick employers and Gary Savoie, Allan Levine, Bill Whalen and Hermel Thériault representing New Brunswick labour and injured workers. Mr. Mel McGuigan of the Department of Labour acted as Committee Chairman and Ms. Margie Carfra of the Department as Recording Secretary who juggled our schedules, travel and hotel accommodations as well. Mr. Francis Young was assigned to the study team as legal counsel and provided us with valuable research, opinions and advice throughout the course of the study. (Appendix B sets forth the Committee representation).

METHOD

The Committee placed public notices outlining the terms of reference in all daily and weekly newspapers throughout the Province requesting interested parties or persons to present written or oral submissions or both. The Committee received 57 written briefs (see

Appendix C) and an additional six oral presentations. All those who submitted were provided with an opportunity to appear before the Committee to make an oral presentation.

The Committee held its public hearings based on the requests which it received in Newcastle, Caraquet, Bathurst, Fredericton, Saint John, Moncton, Campbellton and Edmundston (see Appendix D). In all 42 organizations, groups and interested individuals made presentations to and were questioned by the Committee. All public hearings had simultaneous translation facilities available.

The public hearing format provided the Steering Committee members and the presentors with an opportunity to elaborate upon and clarify ideas, concerns and suggestions. We believe, while time consuming, the exercise was most beneficial to all concerned.

One presentation created a great deal of concern for the Steering Committee and as a result separate follow-up meetings were held in camera by a subcommittee of the Steering Committee which lasted the better part of a full day.

Prior to the hearings the Committee met and reviewed the briefs. After all the hearings had been conducted the Committee met with the consultant and reviewed the issues requiring further review and gained consensus on some preliminary matters and provided the consultant with some further direction. On August 13 and 14th the Committee met and reached consensus on a good many conclusions.

In the interim the consultant continued to review those issues pertinent to the study with staff of the Board and Government Departments which have an interest in or which could be affected by the recommendations.

During the course of the study the issue of costing various options for certain proposed amendments grew in importance. Two computer models were developed to assist in improving the accuracy of the forecasts and to permit a greater variety of scenarios to be costed and compared.

It should be remembered that the study spanned a period of time of some nine months. During that period significant changes were taking place - for example:

1. Mr. Maurice Fisher - Board member resigned and was replaced on a pro-tem basis by Mr. Chester Dean;
2. Mr. Roland Boudreau - Acting Chairman suffered severe health problems and was off the job for a considerable period of time;
3. The new Corporate Board was appointed and Mr. Kevin O'Connell was appointed Acting Vice Chairman while Mr. Boudreau acted as Chairman.
4. The Secretary to the Board changed twice.
5. A Director of Human Resources was hired.
6. A five million computer conversion project was and is continuing to take place.
7. A Provincial Election took place with a resulting change in Government.

On top of these changes and the implementation of the Phase I report, the Workers' Compensation Board and its staff had the additional burden and concern of the public hearings, the resulting press matters and the consultants continually poking, proding and asking questions and taking up valuable time.

Throughout it all, members and staff of the Workers' Compensation Board were open, frank, receptive, constructive and co-operative in their dealings with us. Further, the staff assisted us in the speed with which they responded and juggled their priorities to accommodate us. No doubt

they feel they have been "studied to death". For the assistance of all of them, and in particular that of the Acting Chairman, Mr. Roland Boudreau and the Executive Director, Mr. Brian Baxter, we are grateful.

The Steering Committee deserves special mention. Notwithstanding their busy schedules, diverse backgrounds and representative groups they were able to come together with a spirit of cooperation to constructively debate and objectively analyze the large number of briefs and issues which were presented. No votes were taken, no scorecards kept - the members spoke as they felt and their honesty and sincerity provided the consultant with the ability to arrive much more expeditiously than otherwise would have been the case, at conclusions which as a package we believe gain the Committee's support.

We thank them for their time and efforts and invaluable input.

2. THE ROLE OF WORKERS' COMPENSATION IN NEW BRUNSWICK

2.1 FINDINGS AND CONCLUSIONS

We do not propose to review in detail the historical background of Workers' Compensation legislation in Germany, Canada or New Brunswick. A thorough and competent background is to be found in the Boudreau report of February, 1980.

However, in examining the role of Workers' Compensation in New Brunswick today and for the future it is important to highlight certain basic tenants of the original deal which created the system initially and to determine their validity for the future.

The original New Brunswick statute of 1918 with respect to Workers' Compensation followed closely on the heels of Chief Justice Meredith's report and was based on the following concepts:

- compensation payments should be based on the actual loss of earnings suffered by a worker taking into account any other allowance, pension or payment which a worker may receive;
- costs should be definite and employers should not be subject to further cost liability;
- no person should have more spendable income or compensation than they would have received if they were working.

The "original bargain" was that labour gave up its right to sue its employer in return for no fault wage loss protection resulting from a work injury provided by a collection of employers.

Over time considerable pressure has been exerted by both parties to "the bargain" to change, adjust, modify, add to and delete from the legislation, its intent and its specific provisions. We found it interesting

that the legislation itself contained no article relating to its general purpose.

While the philosophical debate may continue between employers and labour over whether or not the legislation constitutes a social program or an insurance program, there are few who disagree with those original concepts.

There was consensus, we believe, within the Steering Committee with the above precepts and the original bargain although not necessarily with each individual aspect of each component.

Recommendation

1.(a) That the role of Workers' Compensation in New Brunswick should continue to be to provide a reasonable level of income replacement, relative to their actual employment earnings, to workers who in the course of their employment suffer an employment injury, based on the continuation of the following concepts:

- o compensation should be without fault;
- o compensation should be based on collective liability;
- o compensation should be paid for by employers as an ordinary cost of operations;
- o compensation should be administered and adjudicated by an independent commission with exclusive jurisdiction;
- o compensation should be without recourse to the courts;
- o compensation should have assured security of payment.

1.(b) During the redrafting of the Act, consideration should be given to ensuring that the definition of "accident" includes "employment injuries" and "occupational diseases arising out of employment".

3. BENEFIT LEVEL OF CLAIMS AND PENSION AWARDS

At the very heart of the Workers' Compensation system is the level of benefits paid for claims and adjustments thereto, the method of calculation for earnings and entitlement, the process of deeming, the determination of lump sum payments including burial expenses and the rules surrounding integration with other socio-economic programs.

Suffice it to say that throughout our public hearings, review of the briefs and Steering Committee meetings two distinctly differing views emerged.

On the one hand employers took the position that costs had to be curtailed, that continuing escalation of costs would lead to bankruptcy or economic disincentives of a magnitude great enough to force industrial relocation or at a minimum retard economic growth.

On the other hand, labour and injured workers complained of social injustices, economic hardships imposed by a system designed to benefit the employers at the expense of the injured workers.

Both points of view are understandable and may somewhat overstate their respective positions. In Committee, however, we were able to systematically review the issues and deal more rationally with them.

3.1 LEVEL OF BENEFIT

Conceptually the "original bargain" which was struck in 1918 contemplated a system whereby compensation benefits would be granted in substitution for lost wages suffered as a result of injury on the job, up to certain maximums; costs should be definite and the employers not be subject to

further cost liabilities; no person should have more spendable income when he is not working than when he is; and, compensation should not reduce an injured worker and the worker's family to poverty or make them a charge on society.

As Justice W.D. Roach wrote in his report on Workers' Compensation in Ontario in 1950, workers' compensation... "is not a system for dispensing charity. It is not unemployment insurance. It is not social legislation for the purpose of elevating the standard of one group in society at the expense of another".

There is little disagreement with the basic premises contained in this concept, even today. The modalities of structuring the system to embody these simple precepts, however, are not so simple.

In reviewing the present level of benefit - i.e. 90% of the worker's true net income - we found little disagreement. It is generally recognized that this is a fair amount when one considers that the Workers' Compensation benefit is non-taxable and when one takes into account employment related expenses which are not incurred when one is not working such as transportation costs, wear and tear on clothes etc.

Recommendation

2. It is therefore recommended that the present benefit level of 90% of the worker's true net income (after deduction for income tax, U.I.C. and C.P.P.) be maintained.

3.1.1 REVIEW AND INDEXATION

Section 38.2(4) of the Act requires that loss of earnings payments should be reviewed as of the first day of January each year.

This practice results in many cases placing a claimant injured in the latter part of a year at a higher rate of pay than his colleague injured in the early part of the next year even though the job rate was equal.

Much was said about the concept of indexation at the hearings and in the briefs. However, the Committee felt that the concept was congruous with the earnings loss concept, provided however it did not result in payments in excess of the 90% of net rule.

Recommendation

3. That the review under S.38.2(4) be carried out on the anniversary of the injured worker's accident and on each subsequent anniversary, and

4. His benefit level be increased by the annual percentage increase in the New Brunswick Industrial Aggregate Earnings provided it provides no more than 90% of the true net earnings which he would have received if he were at work.

3.2 CALCULATION OF AVERAGE EARNINGS

While little difficulty appears to exist with the 90% rule, considerable difficulty has been experienced in the calculation of average earnings.

Section 37 of the Act states that ... "average earnings and earning capacity shall be calculated on the daily, weekly, monthly or regular remuneration that a worker was receiving at the time of the injury or receiving previously, as may appear to the Board best to represent the actual loss of earnings suffered by the worker by reason of the injury ..."

The current policy of the Board is to consider the average of 12 weeks income prior to the accident to establish the weekly rate upon which

benefits should be based. This is then reviewed after 1 year at which time 52 week's income prior to the accident are used as the base.

In an economy where employment patterns are stable this policy or practice may not create many problems. In fact, permanent employees injured on the job in New Brunswick are treated fairly at present since a 12 week period will generally be relatively stable and reflect an accurate average wage.

However, such is not always the case in New Brunswick. In particular, seasonal employees may benefit from or be adversely affected by this policy.

For example, take 2 employees whose wage rate was $400 per week. Both are seasonal workers who would work 20 weeks per year and draw unemployment for the other 32. They are, for this example, injured on the job and incapacitated for the year. The first employee is injured after 12 weeks on the job. His benefits would be based on $400 x 52 = $20,800.

The second employee is injured at the end of his second week back to work. Using the 12 week rule and his U.I.C. earnings plus his 2 weeks wages his benefits would be based on an annual wage of $14,092.

Had neither worker been injured they would each have earned $15,800 assuming their 20 weeks employment opportunity.

Thus it is evident that while the philosophy is sound and fair the modalities of the implementation can and do create unwarranted inequities in the benefit levels.

Recommendation

5. That Sections 37 and 38.1(1) of the Act be revised to read in part: ... "average earnings" means the daily, weekly, monthly, or regular remuneration that the worker was receiving at the time of the injury or recurrence of the injury, or receiving previously, or at the time of the loss of earnings, or could reasonably have been expected to have earned, or at the time of death, as "may appear to the Board to best represent the earnings of the worker ..."

3.3 CEILING OF THE COMPENSATION INSURED EARNINGS

The concern which surrounded this issue was the fact that some skilled trades and other specialized employees now earn well in excess of $31,900 (the maximum annual earnings level, which presently exists under the 1.5 x N.B. Industrial Composite Wage formula) and are therefore penalized if they are unfortunate enough to suffer loss of earnings due to an employment injury. A more realistic level within the province, particularly in light of the inclusion of the Provincial Government as an employer would be twice the Industrial Composite Wage.

Recommendation

6. That the ceiling of compensation insured earnings be set in 1989 at two times the New Brunswick Industrial Aggregate Wage and thereafter be adjusted by a percentage amount equal to the rise or fall in the N.B. Industrial Aggregrate Wage.

It should be pointed out that sufficient information is not presently available to cost this recommendation as the Board only keeps information on total and assessable payrolls. However, as will be seen, this recommendation is closely tied into the elimination of the top-up provisions (see Recommendations #14-16) and the establishment of a realistic income level.

A survey should be conducted by the Board during 1988 to determine the impact this would have and the assessment rates should be adjusted accordingly to reflect a balance between the increased revenue anticipated and the increased costs in benefits. (It is believed that the rates should come down but the revenue increase due to the increase in the maximum earnings.)

3.4 DEEMING

The concept introduced as a result of the Boudreau report intended that once the injured worker had been rehabilitated or was ready to return to work he would be eligible to receive continuing compensation based on his lost income, if any.

In a society where full employment exists this concept could be much more easily implemented. However, at the present time in New Brunswick the unemployment rate for the Province hovers around the 12% level. No doubt in certain regions and at certain times of the year it far exceeds that number.

Thus the issue of deeming is related to the realities of whether or not the job which an injured worker is deemed capable of performing even exists.

The argument quickly turns to whether the compensation system has an obligation to find the individual work or whether he becomes the responsibility of the unemployment system. In either case the injured worker does not find much comfort in the debate. Compensation is not in our opinion a substitute for unemployment insurance.

The process is further complicated by the fact that there is no mandatory right to return to work rule in the legislation and the indication from the oral submissions made at the public hearings that some (by no means all) employers let long service employees go once they are injured.

We believe the concept of deeming is appropriate - the problem is the current results are creating difficulties. It is important that injured workers be able to return to work to play a productive and integral part in society.

Recommendation

7. When an injured worker is deemed, there must be a legitimate expectation of his being employed in the occupation(s). To that end an injured worker should be deemed in more than 1 job or occupation and such work, job or occupation must be available within the region in which he was injured as determined by the lists from Manpower on a bi-weekly basis.

RIGHT TO RETURN TO WORK

During the course of our Steering Committee meetings and the written and oral submissions we received many expressions of concern about the inability of injured workers to be able to return to their former employment after rehabilitation.

Some management spokespersons took the position that it would create havoc, others that it would be disruptive to their operations and others simply felt that not permitting workers injured in the course of their employment to return to work was callous and immoral.

The big issues involved were how long should this right exist, under what conditions, for what size employers and whether or not it should be mandatory.

The major problem seemed to occur when the Board published its Employee's Handbook - Question 34 asks if an employer is under a legal obligation to provide suitable work for an employee after recovery from an accident? The answer is - No. Many employers unfortunately read this to mean they do not have to take an injured worker back after he is rehabilitated - such was certainly not the intent which the Board meant to convey.

For the most part good employers do try to take injured workers back. However, if the other employers had a better understanding of this issue and how costs are allocated to them and the resulting impact of those costs, they may well take a different point of view. Perhaps an employer advocate might be able to provide the information and education to employers to enhance their understanding.

In an economy where 12% unemployment is a fact, the spectre of a worker being injured is indeed a frightening one particularly if the worker has no right to return. Imagine having worked for an employer for 23 years, for example, and after being hurt on the job finding after six months of rehabilitation that, while you are able to return to your former job, it is no longer available to you.

The question really is what legislated rights are reasonable.

Recommendation

8. That a mandatory right to return to work be included in the Act as follows:

9. No employer may dismiss, suspend, take reprisals against him or impose any other sanction upon him solely because he has suffered an employment injury or exercised his rights under this Act.

10. Where a worker employed by a contract of employment for an indefinite term has suffered an employment injury and is again able to carry on his employment, he shall have the right to return to that employment within 2 years following the beginning of the period of continuous absence if he held employment in an establishment numbering more than 20 workers at the beginning of the injury. Where a worker would otherwise have been at work during the absence period caused by his employment injury, he shall be governed by the relevant terms of the collective agreement or policies and practices of the employer when he is able to return to work.

11. A construction worker who has suffered an employment injury and again becomes able to carry on his employment is entitled to be reinstated in his employment with the employer for whom and on the job at which he was working at the time his injury was sustained in the relative position he held at that time, subject to the rules respecting hiring and placement in the trade, if any. (e.g.if he was hired on 10th and there were 15 employees left on the job when he was ready to return, he would still have a right. If there were only 8, then he would not.)

12. Where a worker remains unable to carry out his employment as a result of an employment injury and he becomes able to carry on suitable employment he is entitled to hold the first suitable employment that becomes available in an establishment of his employer within a distance of 50 miles. Once such employment is offered and refused such right to return shall expire.

13. Consideration be given to including recommendation #9 in the Employment Standards Act of the Province as well.

3.5 TOP-UPS

We heard much on the subject of top-ups - i.e., a mechanism whereby employers increase the amount paid to injured workers by the difference between the benefit received from Workers' Compensation and his regular pay.

One of the basic premises underlying the philosophy of Worker's Compensation is that no-one should make as much as or more than their regular net income while injured in order that some financial incentive to return to work is provided.

Many employees have provided themselves with insurance protection for mortgage and car payments in the event they lose their employment through accident, injury or layoff. This is an insurance policy which they undertake personally.

However, the practice of employers topping-up places individuals in a position whereby they earn more while injured than while on the job and is totally contrary to the intent and philosophy of the whole system.

No doubt the practice came into play in part due to the previous low level of the annual maximum earnings. This problem was identified in the Boudreau Report and when the concept of earnings loss was introduced the no topping-up provision was recommended but never implemented even though they go hand in hand.

Recommendation

14. That no top-ups of Worker's Compensation payments be permitted under any circumstances or agreements whether personal or collective, and

15. That this requirement be a matter of statute.

16. Where top-up provisions exist presently in collective or private agreements, employers and employees or unions shall negotiate or agree on the "benefit savings" and transfer such costs into another benefit area, or failing that, the Workers' Compensation Board shall reduce benefit payments by amount of the top-up.

While employers continually complain about the high cost of Workers' Compensation it is not the intent of this amendment either to take away a benefit negotiated in collective or private bargaining or to provide "windfall" savings to the other party. Rather it is designed to restore the "original bargain" concept without altering the cost structures which the parties themselves have agreed to.

3.6 INTEGRATION OF BENEFITS

The Committee received briefs and heard oral submissions with respect to the philosophical and practical reasons for integration and many arguments to the contrary.

As was pointed out in the Boudreau Report of 1980 which received unanimous support from management and labour:

> "Workers' compensation legislation pre-dates all other government programs of a socio-economic nature. Since the introduction of compensation legislation in New Brunswick, we have seen the implementation of Unemployment Insurance, Old Age Security, Canada Pension Plan, Guaranteed Income Supplement and Family Allowance. The Compensation system also pre-dates the income tax system ...."
>
> "A wage loss security program must be based on the objective of maintaining the individual's income in the same ratio to the Industrial Composite after the injury as she/he was receiving before the injury and/or subsequent re-occurrence. To achieve this end, it is essential that continuing compensation benefits be integrated with other elements of the social security system. ... workers' compensation does not provide the only benefits to which a worker may be entitled."

There was general agreement that no individual should receive more net income while on compensation than they would receive were they still at work.

Recommendation

17. That payments under the wage loss security system continue to be integrated with those payable under other social and economic programs including the Canada Pension Plan and/or Old Age Security programs, or any Federal Compensation system which may come into being, but

18. That integration and corresponding deduction of disability benefits from Canada Pension Plan will commence only after a period of 12 months following a lost time accident.

19. That for those injured workers whose incomes were at or below the N.B. Industrial Aggregate Wage at the time of their incapacity, the C.P.P. offset shall be limited proportionately to the level of incapacity earned.

There is precedent for this in Saskatchewan.

There are many individuals who because of the C.P.P. increases suddenly receive nothing from the Board, are far below the 90% net rule and who are on the borderline of poverty. Again an unintended result of the system.

Much practical hardship has been experienced in the integration with Canada Pension Plan particularly in the area of overpayments and retrievals. The period of time to determine eligibility for Canada Pension Plan disability benefits ranges from a minimum of four months to in excess of one year. When eligibility is established there is a lump sum retroactive payment made to the worker which immediately puts him in an overpayment situation with the Board. Retrieval often puts a strain on the injured worker, the Advocates, the Ombudsman and the Board. It should be remembered that eligibility for C.P.P. disability benefits commences only after the fifth month of permanent disability.

20. Injured workers should be advised of this requirement at the outset and the communication process should continue during the first 12 months to ensure that retrieval procedures are minimized.

21. Further, the Workers' Compensation Board should without delay initiate discussions with Canada Pension Plan officials to ensure a more timely processing and sharing of information as it relates to claimants who are injured workers in New Brunswick.

3.7 FORMER AWARDS

Section 48 of the Act divides claimants with permanent disabilities, whether partial or total, incurred prior to January 1, 1982, into three categories for the purposes of upgrading.

Subsection (2) refers to 100% disabilities, Subsection (3) refers to disabilities of 50%-100% and Subsection (4) refers to disabilities of less than 50%.

The original purpose of this section was to provide for upgrading from time to time and that the same rate should be applied to all categories.

One particular problem which exists is that some 3,000 persons are now covered by Subsection (4) - the 0-49% category with eligibility to very small amounts from the Board - i.e., less than $100/month. This circumstance creates a very heavy administration burden on the W.C.B. staff and it is compounded by the "extraordinary hardship" phrase which gives rise to countless appeals and reviews. Only 370 persons are presently found in the other two categories.

Recommendation

22. That serious consideration be given to immediately buying out, by way of a lump sum payment, all those persons who suffered injuries prior to January 1, 1982 and whose permanent partial disability is less than 50 percent and who receive from the Board at the present time less than $100 per month.

23. That the Board should make the decision after a cost benefit analysis has been prepared and presented to them.

24. That Section 48 be revised in its totality to provide a uniform method of upgrading permanent total and partial disability awards in respect of injuries suffered prior to January 1, 1982 to be reviewed annually on the anniversary date of the injury with increases made based on the percentage increase in the N.B. Industrial Aggregate Wage in the previous year.

Many of these prior awards are based on the N.B. Industrial Aggregate Wage being based on $17,500. To recreate equity and fairness in the system for all it is recommended:

25. That the level of benefits be based on the current and future N.B. Industrial Aggregate Wage and that this adjustment be phased in over a period of 5 years, commencing in January, 1989.

3.8 LUMP SUM PAYMENTS

Section 38(1)(e) permits the Board to pay an injured worker a lump sum equivalent which is not in excess of 10% of the impairment of the earning capacity. However, Section 40(1)(a) provides ample authority to the Board to exercise its discretion and commute the whole or any part of the payments due or payable to any worker or dependent for a lump sum. Obviously Section 38(1)(e) conflicts with Section 40(1)(a) and the intent with respect to lump sum buy-outs expressed previously in this report.

Recommendation

26. That Section 38(1)(e) be deleted from the legislation.

3.9 PENSION BENEFITS

Section 38.3 provides for the setting aside by the Board of an amount equal to 8 percent of the compensation paid by the Board to an injured worker under Section 38.2 of the Act after the 24th month of receiving benefits. The purpose of this section was to supplement the C.P.P. pension since the worker would not have been contributing during his period of disability.

However, the administration of sections 38.3 and 38.7(1) take an inordinate amount of time and effort.

It is believed that a simpler solution would be for the Board to make contributions on behalf of the injured worker (38.3) or the dependent

surviving spouse (38.7(1)) directly to the Canada Pension Plan and let the ultimate benefits flow from a single source at the appropriate time.

Recommendation

27. That the Board undertake discussions with the Federal Government to permit the Board to make contributions directly on behalf of 38.3 and 38.7(1) beneficiaries, and

28. That when such arrangements have been successfully concluded to advise the Minister and ask that the appropriate amendment in the Act be made with respect to these sections.

3.10 SURVIVING SPOUSE

The definition of surviving spouse needs to be clarified in the Act. At present the Act does not specify whether persons although not married but cohabiting in a conjugal relationship with one another are considered spouses for purposes of the Act and whether or not any timeframes with respect to such a relationship must exist.

Another area which has caused a great deal of resentment is the reduction of benefits paid by the Board to surviving spouses of fatally injured workers when the Canada Pension Plan increases its benefits. The increases from C.P.P. are designed to provide minimal protection from inflation and were not designed to reduce the payments over time from the Workers' Compensation Board.

Recommendation

29. That the Act be revised to include a definition of surviving spouse which is consistent with that found in the Family Services Act by combining the definition used in Section III, the wording used in Sub 112(3) and the definition of "cohabit" used in Section I and that in the meantime the Board adopt such definition as policy.

30. That the deduction by the Board of C.P.P. benefits paid to surviving spouses be capped at the amount payable at the time of the fatality (i.e. increases in payments from C.P.P. over and above those at the time of the fatality would flow to the surviving spouse). This provision should come into effect in January 1989, for all eligible post 1982 fatality surviving spouses.

3.11 BURIAL AND RELATED EXPENSES

Presently burial expenses are compensated for at the rate of 5% of the New Brunswick Industrial Aggregate Earnings which amounts to approximately $1,060. This sum is far below the average cost for this service which across the Province ranges from $3,500 to $5,500 on average.

The Committee heard of some of the economic hardship this policy places on families of fatally injured workers and is mindful that at the time of their grief, receiving an additional economic setback was never intended. It was particularly burdensome in those cases where a young or new entrant to the workforce is fatally injured and no Canada Pension Plan benefits are received.

At present this benefit to some extent is duplicated by C.P.P. death benefits but not in all circumstances and there is presently no integration between the two.

Thus it is felt that it is important in these circumstances to provide a fair and meaningful benefit in this regard to all fatalities and to integrate the benefit with Canada Pension Plan benefits when they exist.

Recommendation

31. That the burial and related expenses found under Section 38.5(a) be revised to provide a benefit of 10% of maximum annual earnings for the year in which the fatality occurred, less C.P.P. death benefits, if any.

4. FUNDING MECHANISMS

In reviewing our notes with respect to issues surrounding funding several recurring themes emerged from both the written briefs and oral presentations.

- o the present funding mechanism is appropriate if or provided the original deal is maintained.
- o benefit costs and benefits are at an all time high.
- o benefit costs will undoubtedly increase.
- o self-insurance is an option.
- o the Provincial Government as an employer does not pay its fair share.
- o experience rating could be used to a greater extent to induce more safety consciousness.
- o hospital and medical costs paid for by compensation represent an unfair burden and double taxation to employers. (This does not include costs of rehabilitation at the Centre.)

There was no disagreement with the basic 2 premises: (1) that the system must be paid for by employers based on collective liability, and (2) that the system must assure security of payment without fault and without recourse to the courts.

The major concerns are the equality and the quantum of the assessments. In 1986 assessments on employers, without the Provincial Government, raised $54,675,000. Not an insignificant amount.

We considered changing and/or altering the funding mechanism but in each attempt to do so were faced with results which conflicted with and detracted from the precepts of the original deal.

For example, self-insurance eats away at the concept of collective liability; no-fault 24 hour universal coverage detracts from the concept of an income loss insurance program and moves the nature of workers' compensation four square into a social program arena. While the integration of all Federal-Provincial insurance and social programs may in future years become a reality, it is not our intent to suggest it here.

In reviewing the funding issue we considered the U.S. schemes in place and the experience with them as well as the New Zealand system. (N.B. for a more detailed commentary see Appendix G.) Upon reflection we found no major advantage in switching funding mechanisms and many potential pitfalls.

First a method must be found to bring the increasing costs into line with the revenue and reduce the unfunded liability.

One issue that is perplexing and appears to be unfair is that workers'compensation pays for hospital, medical and drug costs of injured workers who sustain an injury on the job where their employers are covered by compensation. In those cases where the worker is injured and his employer is not covered by compensation, the Provincial Health Care system covers the cost.

When one considers the number of employees whose employers are not covered by the Compensation Act including the fisherman (on a voluntary basis), it becomes apparent that the covered employers are in fact paying twice - once through W.C.B. and also through taxes for health care. The circumstances surrounding this anomolous situation result from the fact, we believe, that Workers' Compensation pre-dates medicare and was not considered when medicare was introduced.

Recommendation

32. That all hospital, medical, drug and related expenses incurred for, by, or on behalf of injured workers receiving compensation which are now presently paid for by the Workers' Compensation Board be transferred to the Provincial Health care system.

This is not an insignificant amount and in 1986 constituted $5.1 million.

Further, the Provincial Government is not assessed as an employer and this removes approximately $700 million from the assessed payrolls of the Board. (The Government does however operate on a pay-as-you-go basis plus pays an administrative fee to the Board for handling claims submitted.)

However, the fact that one of the largest employers in the Province is not covered, significantly detracts from the original concept of collective liability.

Further, the Government does not account for or keep track of its unfunded liability with respect to workers' compensation. It was only with much difficulty and time on the part of the Board staff and their consulting actuaries that we were able to establish the Government unfunded liability at $15 million in 1986.

It is felt that in order to restore the original intent to the concept of Workers' Compensation in the Province that the Government, including the school system and the N.B. Liquor Corporation, should be treated and assessed as other employers in the Province of New Brunswick.

Recommendation

33. That the New Brunswick Government, the school system and the N.B. Liquor Corporation be included as employers under the Workers' Compensation Board.

34. That their payrolls be assessed as other employers in the Province subject to a proper classification and rate setting.

    (In Volume 2 of this report we deal with our calculation of the assessment.)

35. That the unfunded liability of the Provincial Government of $15,000,000 be added to the existing unfunded liability of the Board and amortized as is the existing liability over 20 years by the whole employer community.

As can be seen from the costings, that while this increases the unfunded liability of the Board to $70,000,000 it has a negligible effect on the rates of other employers (assuming the existing amortization period is maintained) due to the larger base over which the costs are apportioned.

We have reviewed the method of setting the assessments and find that they are done in a conscientious objective and professional manner. Nevertheless the issues surrounding classification and experience rating continue to be a source of debate between employers and the Board. In the latter stages of our study, the Board commissioned Eastern Canada Consulting, a firm of professional actuaries, to undertake a major detailed investigation of the experience rating issue and to make recommendations to the Board on its findings.

We are not actuaries and it would be presumptuous of us to make comment on the possible outcome of their study. However, there is a general feeling amongst the employer, labour, injured worker, occupational health and safety commission, the Board and the Worker Advocate communities that a better system of experience rating with possible changes or modifications to existing

classifications may be able to isolate particular problem areas and consequently provide a greater incentive to organizations to prevent accidents on the job in a much more proactive manner.

36. That the results of the Eastern Canada study be reviewed by the Corporate Board and consideration be given to introducing experience rating in a more meaningful way but without the spectre of removing the concept of collective liability or to the extent of jeopardizing the economic viability of the enterprise.

37. The concept of the experience rating system should be designed to improve and penalize the experience of those with poor safety and accident records and to reward those who have made investments in both time and/or money and whose record clearly reflects the effort expended. Caution must be exercised, however, to avoid "wild" annual fluctuations.

38. Following this review and the establishment of a policy and practice by which to implement it, the Board should hold meetings with users to clearly explain the purpose, methodology and rationale for the existing or restructuring of each of the various rate categories and how they as employers can effect change in those rates.

39. That a review of each employer's classification be undertaken by the Board on a regular basis. Such time frame from review to review should not exceed three years.

40. Employers who believe in the interim that there is reason to be reclassified may apply to the Board for such consideration.

5. ADMINISTRATION

The Workers' Compensation Board is a large and complex organization which operates under continuous scrutiny from employers, labour unions, injured workers, workers' advocates, the medical fraternity, employees, the press and politicians.

Change is a normal and vital component of any organization, however, the rate and degree can have debilitating effects on organization decision-making and planning if it continues over long periods of time.

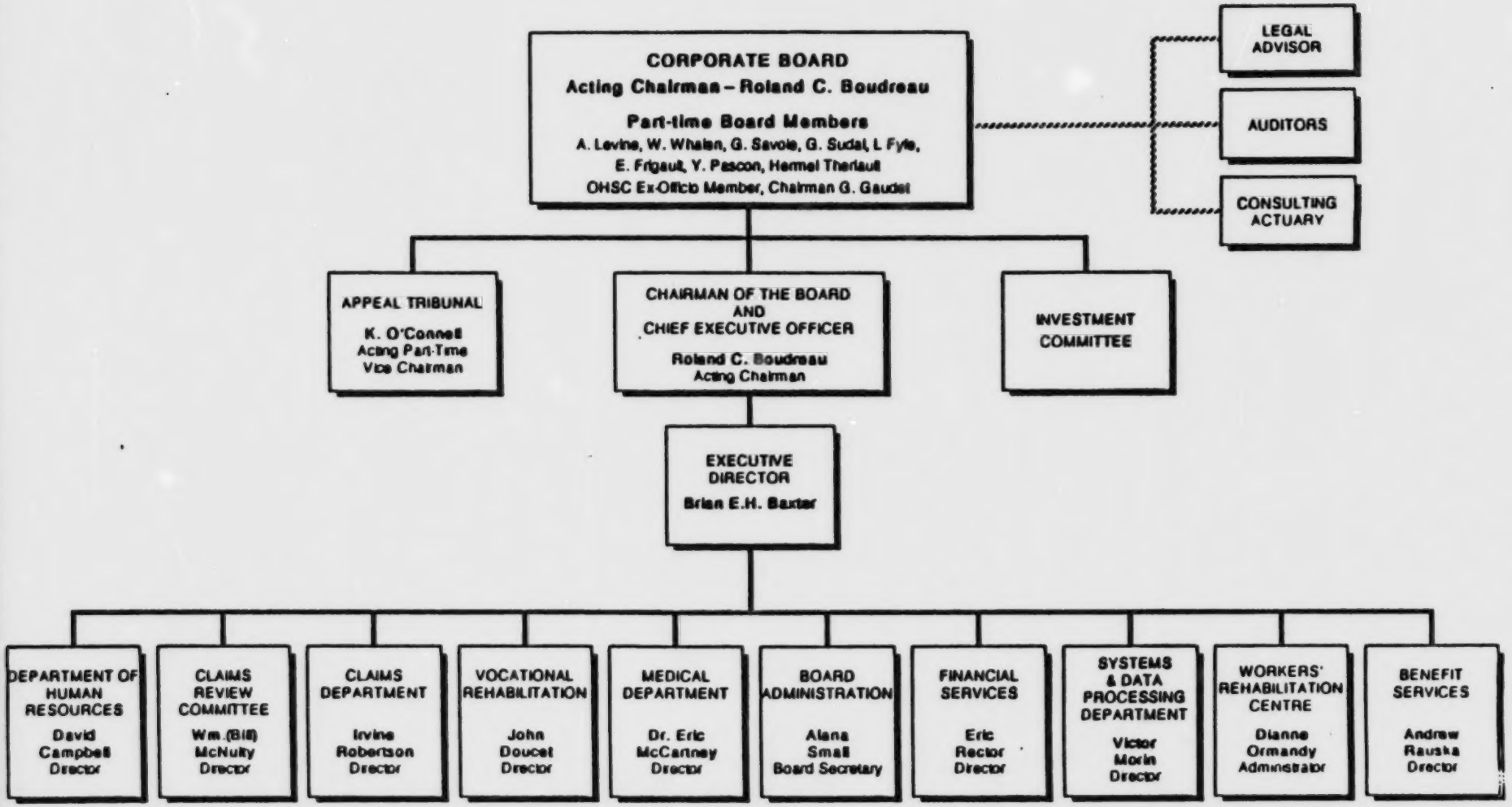
The Board has been under constant study over the past few years by a cadre of outside consultants and experts. The Chairmanship has been vacant in a permanent sense since the resignation of Mr. Jones in December of 1985. The Vice Chairman has acted as Chairman, the Commissioner's have changed, part-time members of the Board have been appointed, a review board established for claims, a part-time Vice Chairman appointed, the Appeals Tribunal set in motion as well as several changes in senior staff and their roles.

In addition, the Board has embarked on a major overhauling and upgrading of their office and records management systems encompassing all facets of the Board and Rehabilitation Centre. This project will cost in the neighbourhood of $5 million and be completed in 1990, bringing the Boards' systems capability into the 21st century.

During all this, the Board and staff have managed to keep the system operating and have made progress in the implementation of policies and practices. For example, while the newspapers did not give the Board its due,

WORKERS COMPENSATION BOARD OF NEW BRUNSWICK
PLAN OF ORGANIZATION

Exhibit #5.1



the Board had changed its investment policy, placed its portfolio in the hands of professional investment counsellors and managers to the end that even after the recent stock market "crash" on October 19, the portfolio had only contracted by 3%. A remarkable and significant accomplishment for which they should be recognized.

One of the difficulties in a review of this nature is that one tends to only hear the negative aspects. There is no doubt in our minds that every organization can be improved upon. However, when viewed in respect of other similar organizations, the New Brunswick Workers' Compensation Board functions very favourably. Not withstanding that, there are areas of improvement which need to be addressed if the organization is to reach its full potential.

5.1 ORGANIZATION

At present the Executive Director has 10 different directors representing 10 different functions reporting to him. See Exhibit #5.1 opposite. This span of control in our opinion is too great to permit either the Directors access to the Executive Director or to permit the Executive Director to effectively manage and plan with the Directors individually or collectively.

General management theories and practices tell us that an effective span of control is 3 to 6.

Further, one of the major problems which we found was the lack of ability within the Board to communicate internally or more importantly with its various "user" communities. While many things are done well and with

reason, the rationale and comprehension for both the "what" and the "why" often is not communicated to the various interested constituencies. This function is of paramount importance to the Board, as poor communications often result in misunderstandings which require twice the time and effort to correct.

The new Chairman, once appointed, will quickly learn the value of good communication and public relations techniques.

One particular area which was identified as requiring attention was the area of an integrated policies, procedures, and adjudication manual written in such a manner that practitioners and lay people can follow it. This manual should be capable of being updated on a regular basis and be provided to users on a fee basis as a subscription service.

Employer and worker advocates should be trained in its interpretations and applications.

A constant complaint heard relates to attitude of workers at the Board toward injured workers or their representatives. The injured worker perceives that he is treated in a demeaning manner, shrugged aside with comments such as "I can't find your file," "your file's in medical," and "I'll get back to you." In the case of the latter comment, repeated complaints from across the Province were heard that the phone calls were not returned or were only after a couple of weeks delay. On the other hand, the claims officers and assistant claims officers have a tremendous volume to deal with - i.e., some 32,000 claims per year. In addition, there are times when staff of the Board are threatened by injured workers - usually those frustrated by the status of their claim or payment. Be that as it may, the Workers' Compensation Board is a service oriented organization whose primary function

is to render service to injured workers and to assist them to return to meaningful employment as quickly as possible.

Another issue which was raised was the hours of operation of both the Board and the Centre. Employers and employees complained of the short time periods during the day when they could get meaningful responses to their questions and queries.

On the service side, those whose mother tongue is French complained of difficulties in dealing with the Board after the claims officer stage in French. While it is recognized that the Board has made significant progress in addressing this need, there is still a major thrust needed at the more senior levels. Strengthening of French services throughout the organization should continue to be an important priority.

With the new Board in place, there is a need for the establishment of subcommittees of the Board where representation can be effected to review in some greater detail certain critical areas. For example, there is no executive committee which could be called on short notice, there is no audit committee, or human resource committee to review recommendations on remuneration and pay practices, pensions and benefits of employees of the Board, labour matters, etc.

As was seen in Phase I, the Minister of Labour & Multiculturalism is responsible for the Workers' Compensation Board to his cabinet colleagues. While the Chairman reports through the Minister, it is important, we believe, to insure that the Minister or his designated representative(s) have access to the Board and its functioning particularly in areas of financial and investment matters. Ultimately the Minister is

accountable and therefore access to at least the Finance and Audit Committee and the Investment Committee of the Board are required. This will ensure better communications between the Board and the Minister by providing an on-going channel designed to create better understandings between the two of the issues and impacts which changes may have.

Further in reviewing the existing job descriptions of the various staff including that of the Executive Director, no-one is responsible or accountable for the overall planning and direction of the organization. No mission statement exists within the organization except that the Board is responsible for the administration and implementation of the Act. Thus, the overall planning function appears to have been left with the Corporate Board and because of the uncertainties existing over the past several months and the pending suggestions of this review, not much has been initiated. The planning function, however, is vital to the future of any organization.

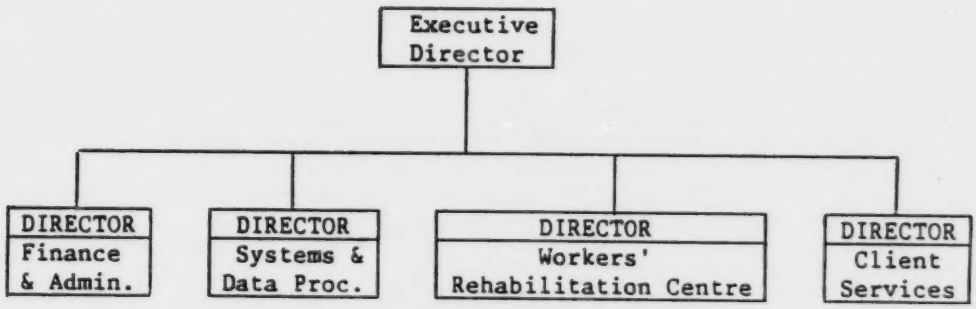
One other subject which cannot unfortunately go without comment is that of "political interference". Whenever a claimant is not satisfied with the response from the Board, it is quite common for him to call any number of persons outside the Board in hopes that they can exert pressure on the Board and/or its staff to accede to his demand. This is a natural phenomenon. However, the staff often view this as political interference or end-runs, and when the claim decision is reversed, they are convinced that their plight is hopeless. Further, if a claimant is successful in this manner, the claimants faith in involving "political" interference is fortified. What is needed is a mechanism whereby people can have investigations made and answers given <u>without</u> the perception of <u>pressure</u> being exerted.

Recommendations

41. That the span of control of the Executive Director be reduced from 10 to 4.

42. That there be established a new director level position called Director, Client Services.

43. That the organization be structured as follows:



44. In addition to those functions now reporting to Finance and Administration (or financial services as it is presently called) would be added, the Human Resource function.

45. The Board Secretary would report directly to the Chairman, once appointed.

46. The Director of Client Services would be bilingual and have reporting to him/her:

- o Claims Review Committee
- o Claims Department
- o Vocational Rehabilitation
- o Benefit Services
- o Medical Department

47. The Director of Client Services should have as a goal to improve the efficiency and quality of services through a co-ordinated and planned approach.

48. The Director of Client Services should set standards of service against which to measure the department.

49. A communications and public relations function should be established and report directly to the Chairman, once appointed.

EXHIBIT #5.6

DRAFT POSITION DESCRIPTION

TITLE: Executive Director

REPORTS TO: Chairman of the Board and The Board

SUMMARY OF RESPONSIBILITIES:

As Chief Administrative Officer, the Executive Director is responsible for the day-to-day management of the W.C.B. and for ensuring that the wishes of the Board are carried out.

SPECIFICALLY:

1. To provide overall planning, direction and control of all administrative operations through subordinate managers.
2. To provide advice and guidance to the Board in the development of policies, procedures, bylaws, regulations, and changes required.
3. To ensure the effective implementation of policies and programs approved by the Board.
4. To inform the Board of pertinent issues and items through the preparation of special and "ad hoc" reports.
5. To coordinate the development and preparation of the annual operating and capital budgets.
6. To monitor the financial position of the W.C.B. and to take corrective action as required.
7. To be held accountable for the performance of staff in the performance of their duties through subordinate managers, as required.

50. A subscription based integrated manual incorporating the policies, procedures and practices of the Board in processing and adjudicating claims and appeals should be developed and kept up to date. The fees charged should be reasonable and be designed to offset the cost of production.

51. The Board, the Centre and all staff should adopt an attitude and policy of "May we help you". Embodied in this concept must be courtiousness, respect, honesty, efficiency and timeliness in all their dealings with their users.

52. The Board should be "open for business" both at the reception area and inquiry area between the hours of 8:00 a.m. and 5:30 p.m. to permit easy access.

53. While staggered work schedules may need to be worked out, the normal work day should be increased from 6 1/2 to 7 1/2 hours per day. (The salary scales in comparison to other organizations vis a vis time worked do not appear to be out of line but will no doubt be subject to negotiations.)

54. That the Human Resources Director develop a bilingualism policy for the development and utilization of employees fluent in both the Province's official languages, and

55. Develop on a position by position basis the need for bilingual capacity and a plan to achieve a satisfactory level of client service and specify the time frames for its completion.

56. That committees of the Board be established as follows:

    (a) Audit and Finance Committee
    (b) Executive Committee
    (c) Investment Committee
    (d) Human Resources Committee

    These Committees will be comprised of Board members and senior management staff of the Board where appropriate as well as the Minister or his designated representative in the case of (a) and (c) above. See Exhibits 5.2-5.5 (at end of this section) re Terms of Reference.

57. That current jobs descriptions be drafted for all staff to reflect the change in responsibilities set forth herein.

58. That the job description opposite be adopted for the Executive Director - Exhibit 5.6.

59. That after the organizational changes have been introduced, they be evaluated using a job evaluation system to establish the ranges of remuneration.

60. That the Human Resources Committee in conjunction with the Chairman, Vice Chairman and Executive Director recommend a salary policy line with respect to the ranges to be adopted.

61. That annual performance evaluations be conducted with each individual management employee.

62. That a "chain of command" for outside inquiries be established and followed.

5.2 HUMAN RESOURCE MANAGEMENT

This area at the Board has only recently been formalized into a function. There are two groups of unionized employees at the Board - those in dietary, maintenance and grounds, and treatment represented by CUPE Local 946 and those in clerical and administrative positions represented by CUPE Local 1866.

The major problems appear with Local 1866. The Committee received written and oral submissions from the Local concerning their problems with the Board.

In summary the relationship is not good. Morale is low and there is little respect. While there have been few grievances and fewer arbitrations the mutuality of respect needed in order for a sound labour relations environment does not exist. Unsubstantiated allegations and "character assinations" do little to induce a climate of harmonious and peaceful labour relations.

Some of this no doubt stems from a prior and discontinued practice where the President of the Union had open access to the Chairman of the Board. With the change in leadership at the Board the Union is forced to

follow more normal labour relations channels and work through department heads and the Director of Human Resources. This more normal procedure is no doubt frustrating to the Union.

On the other hand, the Board is in part responsible for adding to the frustration of the Union since it assigned the duties for labour relations to a person who was not free to make decisions. This should now be alleviated with the addition of Human Resources function.

Strangely, the Union was no more satisfied when a Director of Human Resources was hired. After an initial period of "fencing" the situation seems to finally be settling down.

Similar relationship problems have not and do not exist with Local 946.

Until the creation of the Human Resources function little serious attention was paid to the role.

- there are no performance evaluations
- job descriptions are outdated
- salary increases tended to be across the board
- there is no human resource information system
- there is no manpower planning system
- there is no succession planning system
- absentee and employee record keeping is minimal
- contract negotiations are conducted in a reactive mode
- there is little if any training and development conducted on a planned basis
- there was no corporate labour relations or human resource strategy
- there was no training of department heads or directors in labour relations, policies, practices and procedures

Many of these issues should be resolved with the recent appointment of a Director Human Resources. However in addition to those issues set forth above we would suggest the following:

Recommendations

63. That salary increases be awarded on the basis of merit based on an annual evaluation.

64. That a human resource information system be purchased/developed, installed and implemented.

65. That a manpower and succession planning system be developed and implemented.

66. That a manpower development and training program be developed to identify needs to fulfill the manpower and succession plans.

67. That contract negotiations planning take place to ensure that collective agreement provisions do not restrict the implementation of an overall corporate strategic plan.

68. That the Director of Human Resources be the "authority" in the labour relations process subject to consultation with the Executive Director and Chairman.

69. That the Board ensure that at least from their point of view they conduct themselves professionally and with respect for the Union.

70. That consideration be given to altering the promotional job posting clause in the collective agreement to provide for the position to be awarded to the person with the best skill, ability qualifications knowledge and capabilities and that where such are equal between two candidates the senior employee shall receive the position.

5.5 ASSESSMENTS

5.5.1 Installments

The present situation is that the Board requires one annual "up-front" payment for assessments. Our committee heard a good deal about the unfairness of this policy particularly as it affects small employers, seasonal industries and truckers. In fact the Board acknowledges that this policy is the source of both hostility and gamesmanship in estimating payables. Truckers presently enjoy a special arrangement whereby they pay their annual assessments in three installments on an interest free basis.

Recommendation

71. That all employers be given the opportunity to pay assessments on a semi-annual basis up-front with a percentage surcharge to take into account loss of income revenue, and other administrative costs (if any).

    It is intended that this will provide better and more flexible service to employers and eliminate the gamesplaying by improving the accuracy of their payroll estimates. This should reduce overall staff time at the Board in a year by ensuring payroll estimates are reasonable and reducing the current amount of time required to chase accounts.

72. As a matter of practice the Board should be flexible and permit billings of assessments by special arrangements made in advance, with appropriate surcharges where in their opinion such arrangements are reasonable.

5.5.2 Failure to Pay

Each year the Board is forced to write off certain assessments. In 1986 it wrote off $240,600 and in 1985 $234,400. This means that other responsible employers must pick up the tab for those who are delinquent.

There are also a certain number of employers each year who fail to register with the Board the fact that they are assessable and through this practice of neglect may avoid assessment.

Recommendation

73. That employers who fail to pay assessments or who fail to file the fact they are assessable be subject to a penalty for violation of the Act as follows:

1st occurrence	$5,000 or 3 times the assessment
2nd occurrence	$10,000 or 3 times the assessment
3rd and subsequent occurrences	$25,000 or 3 times the assessment whichever is the greater

We are aware that the Province is currently reviewing The Summary Convictions Act and may well replace it in the near future with a

Provincial Offences Procedure Act. It is understood that one of the objectives of the new proposed Act will be to impose uniform penalties for similar offences.

Our major thrust with this recommendation is to: 1. ensure that a strong deterrent is provided to those who would try to avoid assessment payments, and 2. to ensure that the fines so levied are payable to the Board rather than the Minister of Finance.

5.5.3 Coverage

Some companies who are not covered by Workers' Compensation simply do not advise their employees that they are not covered or that their coverage has lapsed if they have been employed for some time. There are examples which were presented to us which should not be allowed to be repeated.

Recommendation

74. That any corporation, company, employer or representative of an employer which conducts business within or outside of the Province who hires a person in New Brunswick must notify such person, in writing, at the time of their hiring or subsequently at such time that their coverage under workers' compensation lapses that they are not covered by New Brunswick Workers Compensation. Further that each such employee shall sign a statement to the effect that they were so notified and that they agreed to accept employment notwithstanding. The employer shall provide the worker with a copy and retain one in their records.

5.6 EMPLOYMENT INJURY REPORTING

We heard many reports of employers allegedly coercing employees not to report injuries on the job in order to prevent increased assessments. Some groups even take the view that safety award schemes may encourage workers to indulge in this practice.

The law is clear - employers and employees have an obligation to report accidents on the job. If they fail to do so and an employee later suffers some recurrence he may be denied benefits. Some workers may not fully understand the significance of their failure to report until it is too late.

Recommendation

75. That the Board undertake a public awareness program including radio and television spots in English and French throughout the Province relating to the responsibilities of both the employer and the employee in reporting accidents.

76. That employers and workers who individually and/or jointly fail to report employment injuries shall each be subject to fines at the discretion of the Board as follows:

1st occurrence	up to $500
2nd occurrence	up to $1,000
3rd and subsequent occurrences	up to $5,000

N.B.: The footnote to recommendation #73 applies similarly in these circumstances.

77. Either party may appeal such penalties to the Appeals Tribunal of the Board and ultimately file a judicial appeal to the Court of Queen's Bench.

78. That false statements with respect to reporting of accidents shall be considered as fraud and be dealt with as an offence under the appropriate statute.

5.7 Claims

Both written and oral presentations, not surprisingly, dealt to a considerable extent with the issue of claims and alleged deficiencies in the process.

As we saw in Phase I, the Board handles in excess of 32,000 claims per year with approximately 2,600 appeals at various levels being filed and heard.

N.B. W.C.B. 1986 Claims and Appeals

	Claims	% of Total
Claims	32,000	100%
Disallowed Step 1:	±3,200	<10%
Appeals to Asst. Director Claims	1,760	55%
Appeals to Director Claims	810	2.5%
Appeals to Board	70-120	<0.3%

It is evident from these statistics that the existing system does not function all that badly. Equally, it is fair to say that not every claimant will be satisfied with the disposition of his/her claim. Nonetheless, improvements in the system and in the perception of the way it operates could and should be made.

It was generally acknowledged that in fact justice is done, that the Board does exercise prudent judgment and discretion and that in the main the decisions are regarded as fair.

A consensus of the issues raised by the briefs and oral submissions is as follows:

- the claims department is understaffed with respect to claims officers, investigators and inquiry handlers.
- the phone lines are always busy.
- "the Board is not open when I'm available".
- difficult to get an answer or decision.
- when someone does get through to claims the attitude with which they are greeted ranges from abrupt to rude and/or vague to evasive, or takes a "get them off my back" approach.
- cannot always be served in the official language of the caller's choice.
- say they will call back, but don't - or do so only after long delays.

- o lack of notice prior to cut off of benefits.
- o files not available.
- o lost/missing or incomplete files.
- o medical information not complete.
- o delays in initial payment due to lack of information.
- o little of no investigation to validate or invalidate claims.
- o claims officers have little knowledge of the job, environment or classification of the injured worker.
- o unit system on alphabetical basis does not provide for each tracking particularly in multiple claims.
- o volume, time and complexity results in overload situations of physical and human resources.

In the course of the records management study conducted by DMR the following points were made and are valid.

There are severe records management problems at the Board, particularly with the Claim files. This was the number one complaint of practically everybody interviewed. The most serious problems are presented below; a detailed report on records management will be found in Appendix F.

- o No comprehensive index detailing the contents of the Claims files exists. Some specific information from file documents is maintained on the computer database. The lack of a comprehensive index means that the files must be accessed frequently, often only to determine if a certain document has been received.
- o The status of a claim is visually identified through the use of a colour-coded series of file jackets. The colour coded system was developed and is used primarily as a visual aid when locating files within the WCB main building. Occasionally, the wrong colour file jacket will be placed on a file and because of the extensive reliance on the colour coding system finding the file becomes a very lengthy process.
- o Documents are placed in the file in chronological order. No sorting or "arranging" of documents by type is done on the majority of

files. An "arranged" file has all documents sorted by type (e.g., medical reports, taxing documents) and each category clipped together. It is relatively easy for a document to be moved by users out of chronological order or to be accidentally shuffled to the wrong file. It is also very time consuming to locate a specific document, especially when the file is very large. Documents can easily get lost because documents are not physically attached to the file.

- The Claims files are physically located in multiple areas within the WCB building. With the exception of the Pension files, movement of files from one area to another for storage purposes is based on availability of space. Claims files are also physically stored in a number of other areas or departments on a "long" term basis. This depends on the status of the claim, i.e., action occurring on the claim or the type of payment being made on an on-going basis. It is difficult to know where a particular file should be located at any point in time.

- Users indicated that they did not make extensive use of the Bring Forward service because of lack of confidence in getting their file when required. Many users keep their own BF system.

- If the file is required by a department or individual but is being used by another area within WCB, the file clerks will put a "tag" on the file jacket to indicate where it should be forwarded. Files may have as many as five tags on them and it is often difficult to determine what the priority routing should be. It was indicated that some files have taken as long as 6-8 weeks to be routed to them.

- Upon request large files will be put in a sorted order by document type and chronological sequence ("arranged"). This is usually done when the file must be reviewed by the Board. The majority of files are not "arranged" because of lack of time on the part of the filing clerks.

- Because of the number of people involved in the retrieval and physical transfer of files, it is extremely difficult to control the location of the file at any one time.

- Typically, the Claim file is required in order to obtain "information" from one of the documents stored on the file. This information is not available on the computer database nor in another readily accessible form. Less often the file is required in order to review its entire contents or many of the documents on it.

- The urgency of retrieving a particular Claim file varies depending on the reason for request. The actual time for retrieval varies from as much as five (5) minutes to several days depending primarily on the location of the file at the time at which is requested. If the file

is on the storage bays in the Claims Dept., retrieval time is minimal. However, if the file is in another area of the WCB building, a physical search of the building is necessary and retrieval may take a considerable amount of time.

- Other than the Charge Out Book and Going Out Book, no mechanisms exist within the Claims Department to assist in the tracking and control of the location of Claims files. When a file is required and cannot be found in the storage bays, the filing clerks physically "search" the building for the required file and take the appropriate action. The clerks spend most of their day looking for files. If the request for the file is urgent, many people may be involved in the search and the search could last thirty to forty minutes or longer.

- The lack of control over the location of the file was indicated as the biggest problem with the Claims files. Processing of claims could be delayed and a lot of time is lost when a file is required urgently and everyone must search for it.

- There are currently no mechanisms in place to ensure that files are kept within the WCB building unless logged out to a WCB employee. Files sometimes appear to be lost because an individual has removed them from the building and forgotten to inform the Claims Department. As well, there are no safeguards to prevent the removal of files by other than WCB personnel.

- There is currently no backup of any of the paper files. Because of the high volume of claims which are processed yearly and the need to access files from prior years, it would be virtually impossible to resurrect the contents of the files should a disaster such as fire occur. As well, many of the documents on the files are considered legal documents and the signatures on the documents are of prime importance. These signatures could not be duplicated should a disaster occur.

- The microfilm containing all Claims files up to and including 1979 is stored in a fireproof vault on the Board premises. However, the index which provides a cross-reference between claimant name, claim number and year of claim is in paper medium and it would be extremely difficult, if not impossible, to recreate should a disaster occur.

- The current retrieval procedures for dormant files are very time consuming and unwieldy. Often the wrong file is retrieved because the card index does not show the nature of the injury. The physical location of the index cards (basement), film index (main floor), and reader/printer (basement) adds to the time required to retrieve the information.

JULY 1987

CLAIMS DEPARTMENT

Exhibit #5.7

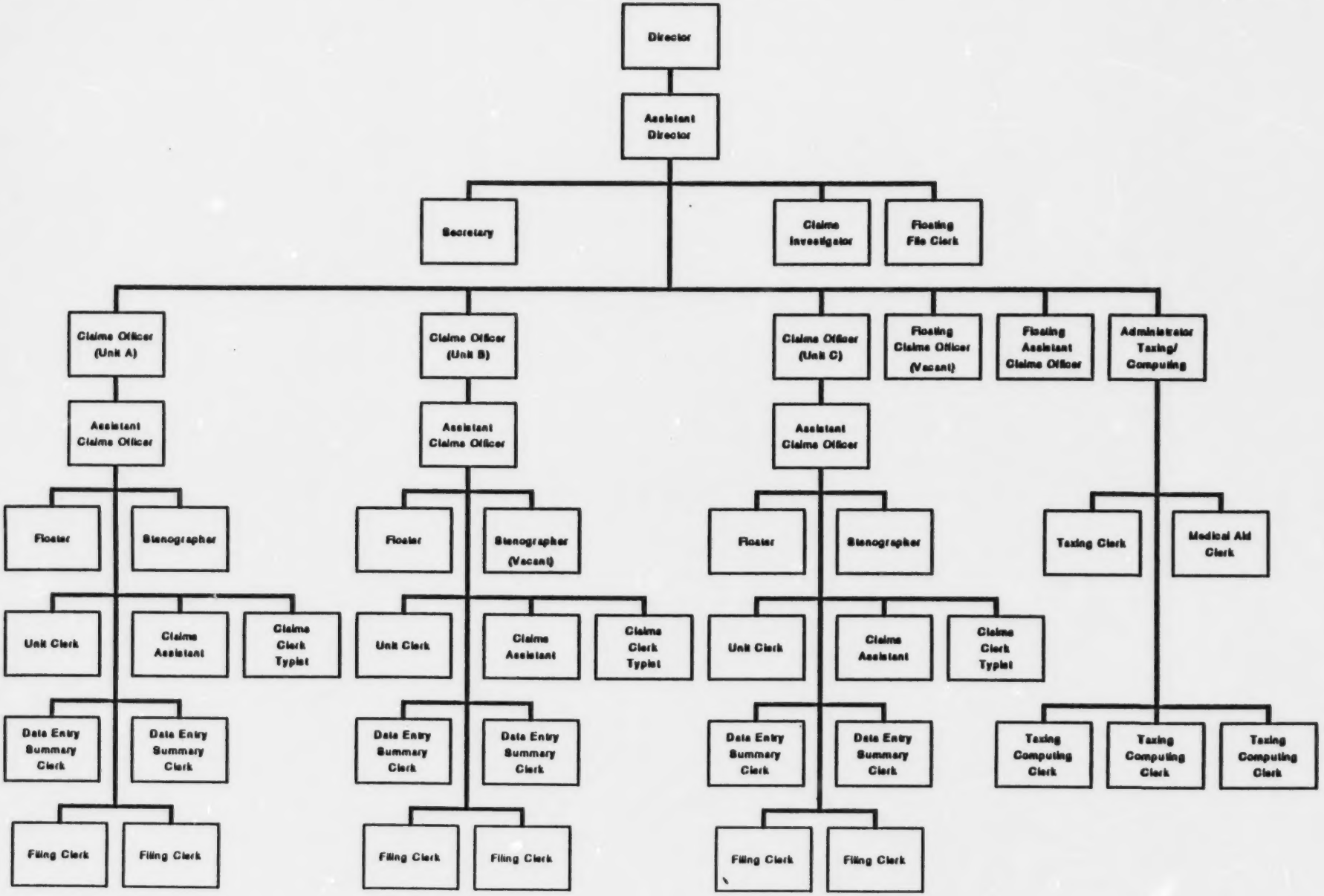
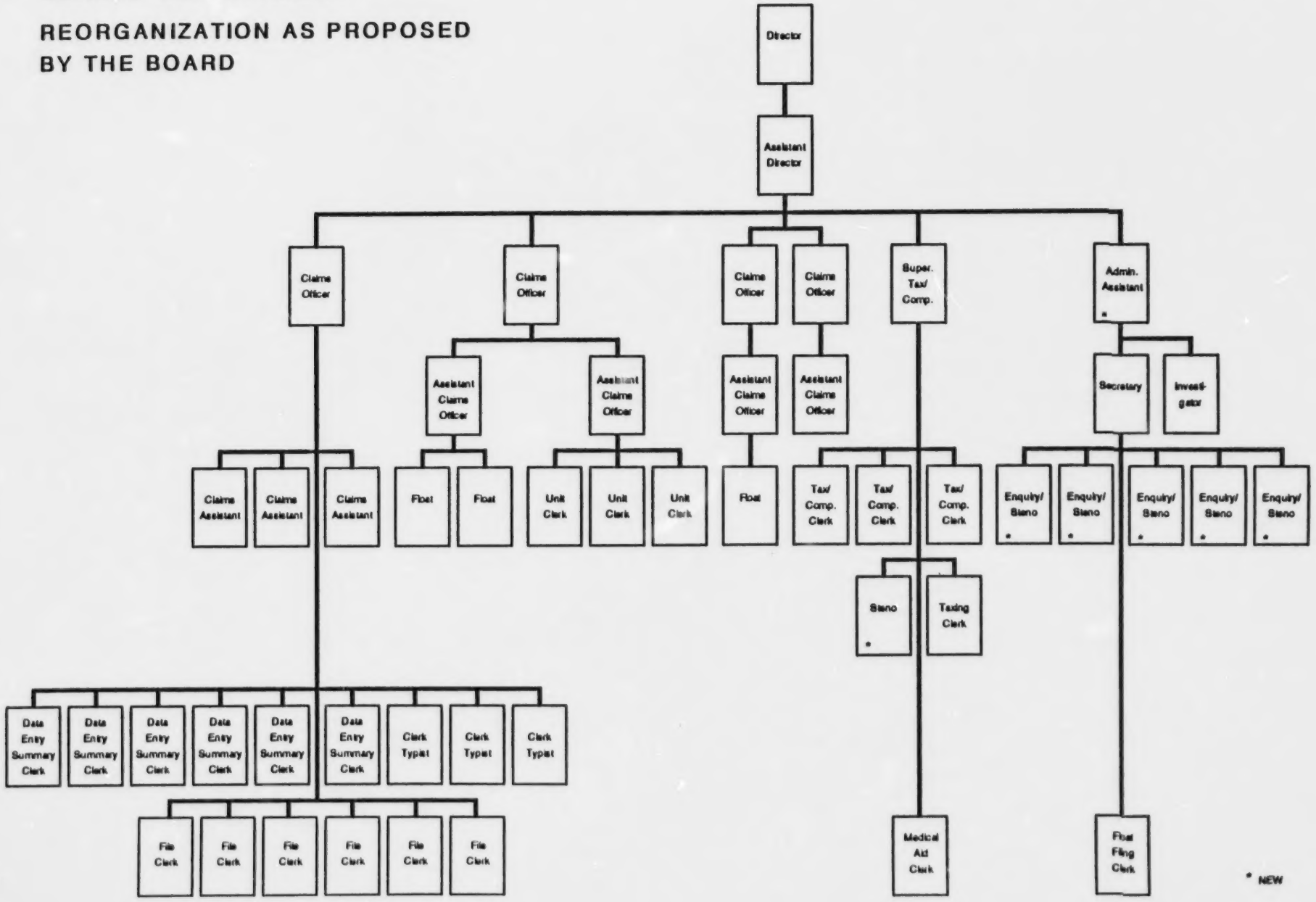


Exhibit #5.8

CLAIMS DEPARTMENT

REORGANIZATION AS PROPOSED BY THE BOARD



- o No policies currently exist pertaining to the retention of files based on such factors as file activity. All documents on all files are retained indefinitely. No policies exist specifying which "documents" must be retained and which have no relevance beyond specified timeframes.

- o No comprehensive index exists detailing all documents contained in an Employer file. Sometimes the file is accessed only to determine if a particular form or document has been received.

- o There are currently no mechanisms in place to ensure that the Employer file are kept within the WCB building unless logged out to a WCB employee (i.e. auditor).

- o All Employer files are paper based. Some information resides on the computer database. There is currently no backup of any of the paper files. It would be extremely difficult, if not impossible, to resurrect the contents of the files should a disaster such as fire occur.

- o Files relating to personnel exist in many areas in addition to those which are kept in Personnel. Some of these files may contain information duplicated elsewhere; others may be the only copy.

While the automation and records management study will resolve many of these problems it may not address others.

This existing organization chart for the Claims Department is shown on the opposite page as Exhibit #5.7. It outlines the unit structure and the manpower situation as it existed in the summer of 1987. Exhibit #5.8 shows reorganization of the Department to prepare for the records management automation implementation.

Exhibit #5.9 shows the routing of Forms 6-7-8 which are required before a claim is processed for adjudication.

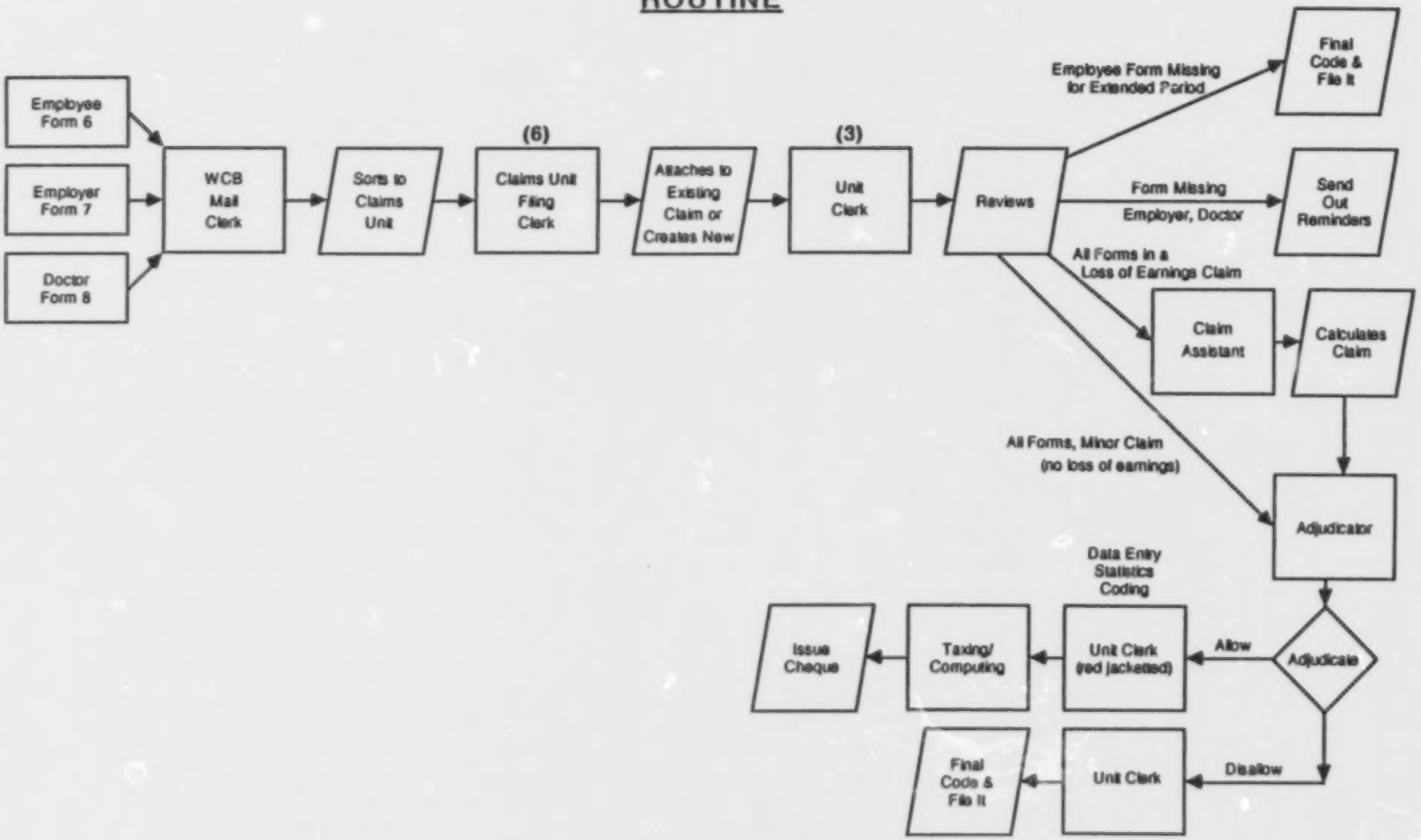
In order to rectify the problems identified, we analyzed the issues and came to the following conclusions:

- o while the total complement of staffing may be close to what is needed, the resources are not necessarily deployed in the most appropriate areas.

Exhibit #5.9

EMPLOYEE / EMPLOYER / DOCTORS FORMS

ROUTINE



- o when problems are identified in terms of human resources they are transferred rather than dealt with.
- o the records management system and volume only serves to highten the frustration of the claims officers and the claimants.
- o the 6 1/2 hour work day is also a major restriction to productivity.
- o the tardiness of one of the parties to submit the appropriate forms may result in unnecessary delays.
- o There are too few investigators.
- o claims assistants, assistant claims officers and claims officers do not have enough knowledge of the job, classification and industry to properly assist them in evaluating claims.

Based on the above findings, we recommend that:

Recommendation

79. The claims department be reorganized, after the creation of the client service division.

80. Consideration be given to restructuring the department on a North-South basis within the Province, perhaps each with a director and on a region by region basis each under a claims officers.

81. Two additional claims officers be hired.

82. Two additional investigators be hired and that all investigators report directly to the Director(s).

83. Individuals who are not performing at an acceptable level be identified, notified and given an appropriate time frame to come up to standard or be terminated.

84. A "we are here to serve and assist you" attitude be adopted. (This is not to be confused with a "give-away mentality").

85. Sufficient French-speaking resources be available to service those who wish to be dealt with in French.

86. A French 1-800 number be implemented with transfer features in case the caller gets the wrong line.

87. Advertise the French 1-800 number as distinct from the English 1-800 number.

88. Claims officers and other service personnel log claimants' calls and call them back in a polite and timely fashion (even if only to explain why they do not have the answer).

89. A tracer system for each file be available so that inquiry clerks can access required information promptly and efficiently.

90. Consideration be given to using medicare numbers as opposed to alphabetical files in order to keep multiple claims of the same claimant together or alternatively develop a system whereby cross-referencing is possible.

91. Telephone coverage in claims for enquiry purposes be from 8:00 a.m. to 5:30 p.m.

The other issue which causes undue delays is the availability and processing of Forms 6-7-8. Until each of these has been received by the Board the claimants' file is not complete and therefore not processed for adjudication. In short no cheque will be issued.

Delays are quite normal because either the employer, employee or doctor is slow or forgets to process the appropriate paperwork. There is no timely follow-up procedure initiated on the part of the Board prior to the Board (usually the Claims Director or someone above) receiving a complaint at which time the Board generally starts to pursue the missing form(s). Delays of up to 37 days have been found to occur because of form chasing.

The other problem is that Form 6 is not available at the employer's place of business - thus often the employee must write in or pick it up in person, or the Board may send one out when they receive a Form 7 or 8.

Recommendations

92. That Forms 6 and 8 be merged into one.

93. That Form 6 (new) be available at the place of employment, hospitals and physicians offices.

94. That employers, physicians and claimants be required to file their respective forms within 3 days of the injury. In the case of a physician he/she shall file his/her report within 3 days of seeing the patient or be subjected to the withholding by the Board of the premium.

95. That claimants whose benefits are to be cut off be given not less than 3 days notice, where possible.

Much attention was given to the issue of decentralizing the claims process throughout the Province to make it more responsive and accessible to claimants. The conclusion we reached is that it is the efficiency and effectiveness of the service to the claimant which is paramount not its location. We firmly believe that given the present state of affairs and the existing and growing volume of claims that decentralization would not benefit the claimant but may in fact only further retard the process. We believe it is important to automate the records management system in a centralized environment and to resolve the central issues such as phone lines, availability, language and service mentality before embarking on any regionalization. When all this is running smoothly, the perceived need for claims regionalization may in fact evaporate. In addition, we do believe that regionalization would cost in excess of $750,000 as the Ogilvie Report pointed out .

Recommendation

96. That the claims handling function NOT be regionalized.

97. That appeals should be heard in the claimant's language and as close as is reasonable to their residence, at all levels.

In Volume 2 we address those areas in which we believe savings can be attained.

Three other issues emerged with respect to the adjudication and processing of claims.

1. Access to Information
2. Status Reports on Injured Workers
3. Independent Medicals

Access to Information

Section 79 of the Act limits access to information and the Provincial Right to Information Act does not at the present time cover the Workers' Compensation Board, notwithstanding a proposal from the Ombudsman to make this inclusion.

While we do not believe that information at the Board or in the files should be generally available, access should be considered for employers and workers (or their counsel or agents) to that information relevant to an appeal, under certain specified conditions.

Recommendation

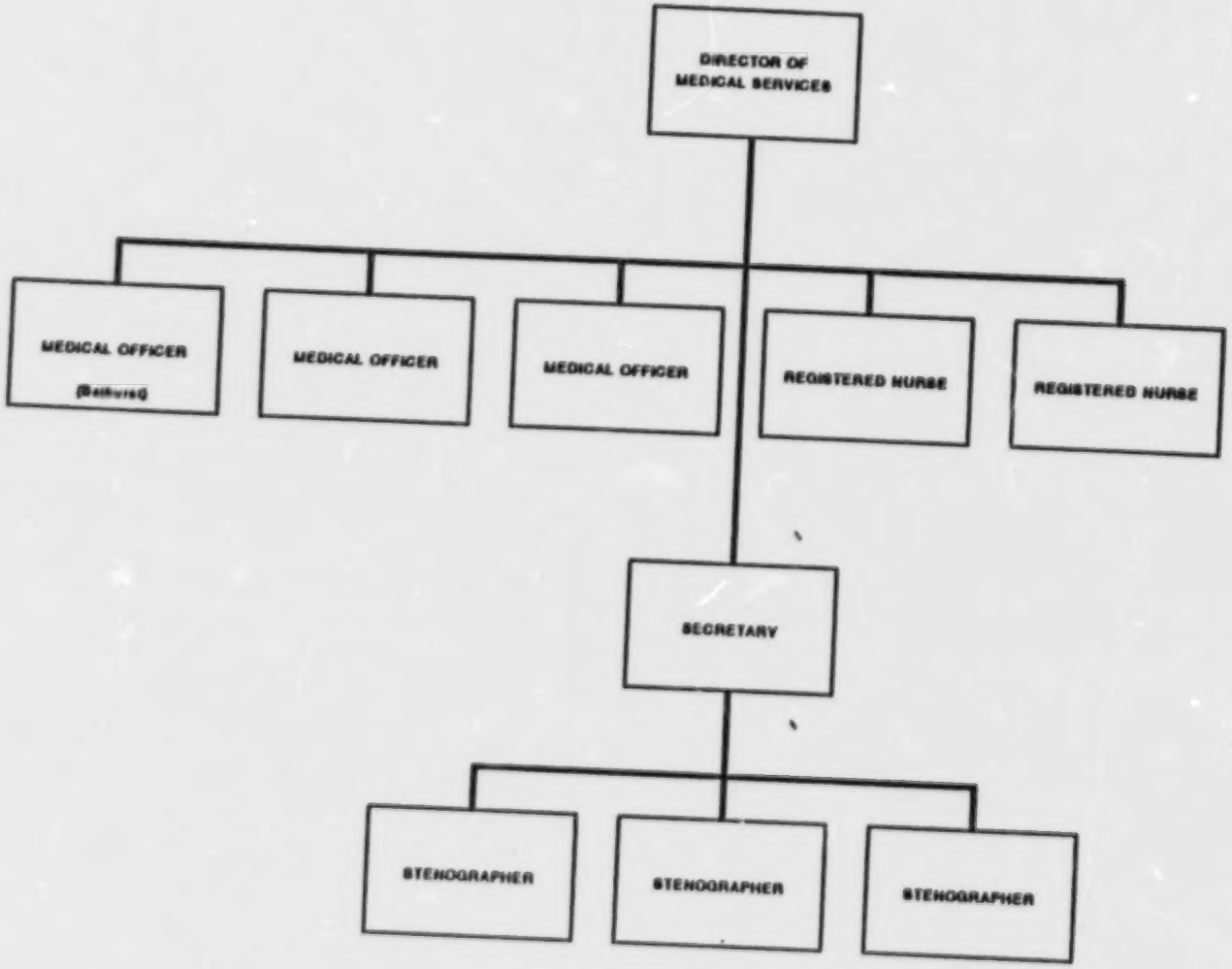
98. Employers and/or injured workers, their counsel or agents should be permitted access to their files for information relevant to an appeal provided,

    1. no other use shall be made of that information,
    2. it cannot become or form part of the personnel file of the workers
    3. a non-disclosure agreement is entered into prior to access being allowed.
    4. it is an offence to use the information for other than an appeal.

JULY 1987

Exhibit #5.10

MEDICAL DEPARTMENT



Status Report from the Board

At present employers do not have the right to request status reports from the Board with respect to injured workers. This makes it difficult for them to plan their work and to accommodate the injured workers re-entry into the workforce.

Recommendation

99. That an employer who has an injured worker receiving compensation benefits may request of the Board from time to time a status report on an injured worker as to his condition, his expected date of return to work, progress on medical and vocational rehabilitation and any return to work actions suggested or taken by the Board.

Right to Independent Medical

Many employers are of the opinion that many injured workers could more quickly return to work or should not be off work in the first place. Physicians often feel they are caught between their patient's well being and continued relationship and the Board or the employer.

While some employers undoubtedly would use this right as a threat or weapon, the vast majority simply want, in difficult or suspicious cases, to assure themselves of the medical facts by way or a second opinion.

Medical evidence before us verified the usefulness of second opinions.

Medical Department

The role of the Medical Department (see Exhibit #5.10 opposite) is difficult to say the least. The injured worker expects the physicians to

either have instant solutions to their problems and/or to provide them with a medical reason for being off work. On the other hand, the Department must interpret the Act to the best of its ability, attempt to ensure that claims are bona fide and endeavour to ensure that the injured worker is rehabilitated as quickly as possible.

Throughout all this the medical officers strive for consistency in their opinions and try to make fair assessments.

Suffice it to say that any opinion which does not grant the claimant what he is seeking is usually appealed and the medical department opinion may then be over-ruled. The environment in which they practise is difficult; the work complex and the case load heavy.

Those areas which arose during the hearings and in the briefs and discussions which were of concern were as follows:

- lack of bilingual speaking physicians
- poor communication between the Board and the physicians in the field
- non-professional notes on file
- an arrogance eminating from the Department
- perception of insensitivity to injured workers
- pre-construed time off charts
- claimants being cut off where no diagnosis possible
- no chiropractors or chiropractic consultant at the Board or Centre
- alleged poor attitude on part of medical staff - statements such as "it's in your head"
- "political" interference in reviews and assessments
- perception of the Director as a loner

- o perception from within and outside the Department that they are not a part of the Board "team".

It must be remembered that generally those from whom we heard were those who were not satisfied and obviously constitute a minority - but a very vocal one.

The Board has put great efforts into recruiting specialists and bilingual ones at that. They have adjusted their remuneration scales and provided better working conditions. However, it is still difficult to attract and retain bilingual physicians. The average stay once recruited is less than 2 years.

The issue of notations on claimants file has been addressed. Apparently the system was a methodology used for internal purposes which it is agreed was not appropriate and has been discontinued. It was reflective of the insensitivity and attitudes perceived by the injured workers.

The communication and consultation with physicians is more difficult. There are some 1,100 physicians in the Province and it is difficult to gain their attention even with specialists being brought in for seminars. However, the medical officers are prepared and do discuss patient cases on a 1:1 basis with claimants' physicians on request. The workload at the Board and lack of resources makes it more difficult for physicians to initiate these discussions not withstanding the desirability of the process. Further, field trips are curtailed to an absolute minimum in order to deal with the case load. The Board has set up a Committee to discuss compensation matters on a regular although infrequent basis with the N.B. Medical Society and it is hoped that this committee may provide a better means by which to enlarge on the communication process.

Claimants often perceive that the medical department is cutting them off. In fact, what happens in difficult cases is that after the medical department has exhausted its medical investigation, it refers the claimant to Vocational Rehabilitation or Benefit Services.

In certain back and head injuries no medical reason or diagnosis may be made but the claimant still has the pain. We heard statements from people who had been told that the "problem is in your head." While this may have happened in some circumstances it is often a problem of language and interpretation which leads to a misunderstanding perhaps even a by-product of not being able to converse with the patient in his own language.

The confusion surrounding the "time-off" charts arises out of a pamphlet put together for re-assessment after the injury had stabilized and dealt with appropriate time frames after the injury to look at a reassessment. It was not intended that it be used as a guideline for physicians to assign injured workers periods of time off work. The medical department was unaware in fact of this misuse and misunderstanding of the pamphlet. Better and more frequent communication and field trips may have been able to identify the issue earlier.

The issues raised by the chiropractors is presently being addressed by the Board with a committee of chiropractors. The Board have asked chiropractors to participate in a program at the Centre in order to assess those areas where they may be of assistance to the Board and the injured workers. However, the Board wants to ensure that it understands the full capabilities of chiropractors before it starts to make referrals on a more regularized basis.

Recommendation

100. That one to two more medical officers, preferrably bilingual, be hired by the Board to alleviate the workload situation and to permit the Medical Director to play more of a management role in file reviews and in undertaking new initiatives, and to reintegrate himself as an integral part of the management team of the Board.

101. That the Medical Director undertake more field trips within the Province on a more regular basis to familiarize himself with physicians, their problems and local facilities.

102. That the medical department actively work at communicating with referring physicians on an ongoing and proactive basis.

103. That the medical department avail itself of the expertise in public relations to be developed within the Board to "get its message" across.

104. That where an employer or injured worker has reasonable cause they may request the Board to have an independent medical practitioner review the worker's file and/or examine the worker and to report those findings and conclusions to the Board. The Board shall use its discretion in determining whether reasonable cause exists and shall pay for such review or examination.

Woods Gordon

EXHIBIT #5.2

FINANCE & AUDIT COMMITTEE

The normal terms of reference would include:

1. To review the audited financial statements prior to their submission to the Board;

2. To meet the auditors at the request of either the Committee (or any member) or the auditors. It is up to each Board to establish the role and function of its Finance and Audit Committee. However, it is the primary communications link between the Board and the auditors and, therefore, may also have primary responsibilities for these additional functions;

3. To safeguard the independence of the audit function by assessing the scope and quality of audit work performed and by recommending the appointment of independent auditors;

4. To ensure that all financial statements and information the public receives are inter-related;

5. To review internal control procedures and determine the auditor's view on the quality of these procedures;

6. To prepare and submit to the Board a code of business ethics for use within the organization and to inquire into questionable, unethical or illegal activities;

7. To ensure that accounting principles following lowered by the organization, including any changes during the year, appear appropriate in the circumstances; and

8. To ensure that there are adequate procedures for reviewing unaudited interim financial statements and other financial information prior to its distribution.

It is important to note that the duties of the Committee for practical purposes, must not be too extensive. Committee members have a limited amount of time and this should be directed toward the primary audit committee functions.

While working closely with management and the auditors, this Committee should remain sufficiently detached from both to objectively evaluate their positions and, ultimately, their ability and character.

The Committee should seek out the opinions of senior management about the quality of audit personnel, their efficiency in planning and conducting their audit, and their ability to identify and assist in the correction of deficiencies in accounting and internal controls.

In turn, the auditors have an obligation to disclose to the Committee whether or not management has an information system designed to generate the data required for efficient, timely and sound decision-making, and whether or not that system is functioning properly.

Those outside directors most likely to serve on the Committee possess sound business and financial experience and/or legal backgrounds, and exhibit independence and integrity.

Woods Gordon

EXHIBIT #5.3

EXECUTIVE COMMITTEE

Establishing and granting an Executive Committee broad powers ensures that important matters arising between Board meetings, receive timely attention.

As well, this Committee often serves as a sounding board for general management problems or matters that affect the operation as a whole.

Persons whose experience provides breadth, objectivity, knowledge and independence are generally sought out to serve on this Committee. It is also not uncommon to find the chairmen of key Board committees serving as members of this Committee.

The Executive Committee should be able to be called together on short notice by the Chairman to deal with matters requiring immediate attention.

Generally, this Committee has a greater percentage of senior management on it than do other Committees of the Board.

Woods Gordon

EXHIBIT #5.4

INVESTMENT COMMITTEE

The primary role of the Investment Committee is:

- to determine the investment philosophy and policy of the organization.
- to select the investment manager(s)/counsel.
- to review the performance of the investment manager and the portfolio and to recommend such changes as it deems appropriate.
- to inform the Board on a routine and timely basis of the portfolio performance.

It should be noted that this Committee, while its duties may seem brief, is advising management on a critical and substantial portion of the Board's activities. It's portfolio is in excess of $130 million.

Woods Gordon

EXHIBIT #5.5

HUMAN RESOURCES COMMITTEE

More and more Human Resource Committees are assuming strategic as well as policy roles. For example, the committees usually become involved in considering how overall corporate goals and objectives can be achieved through appropriate human resource and compensation philosophies and policies.

This committee performs a multitude of inter-related functions primarily in relation to the Chief Executive Officer and senior executives:

- to develop compensation and human resource philosophy and guidelines;
- to approve base salaries;
- to approve incentive plans or the individual amounts in discretionary plans;
- to approve perquisites provided;
- to approve benefit and retirement plans;
- to approve senior executive appointments;
- to determine compensation levels and formula for members of the Board of Directors;
- to review succession plans; and
- to review manpower plans.

In order to fulfill these responsibilities, the Committee should rely upon the recommendations of the Chief Executive Officer, its own analysis of compensation data and, if necessary, the expert analysis of outside advisors. One of the Committee's major duties is usually the establishment and recommendation of an appropriate compensation level for the Chief Executive Officer.

There is little involvement with non-salary or other salary groups apart from approval of benefits and retirement plans. The Committee

must be independent of labour and management so that it can provide management with objective guidance and support in matters concerning compensation and human resources.

In addition the Committee should:

- approve mandates for collective bargaining

However, it should be noted that the Committee's role is to perform at a policy level with respect to the development and approval of plans and mandates and not to become actively involved in the day to day activities.

6. WORKERS REHABILITATION CENTRE AND REGIONALIZATION

The Workers' Rehabilitation Centre is a large operation at Grand Bay providing high quality specialty rehabilitation services to approximately 2,250 injured workers per year.

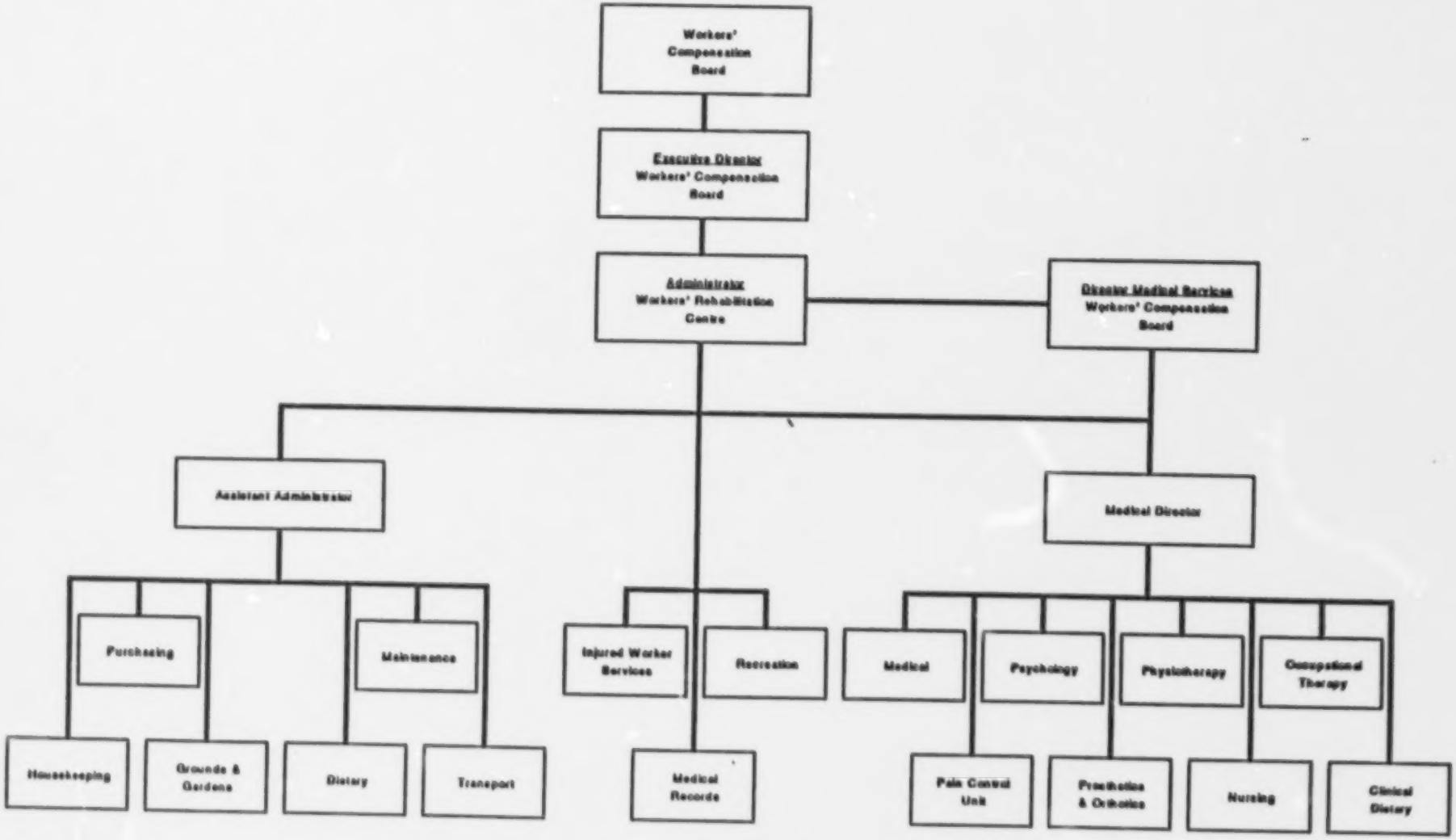
It is the only rehabilitation centre east of Montreal. It has a $6 million operating budget, contains 125 beds and can service 143 patients per day at 100% capacity, although recently just hit a record of 175 patients per day. It provides services in the areas of physiotherapy, occupational speech therapy, physiological counselling, assessment, prosthetics etc. Some of the services simply do not exist elsewhere in the Province. For example the Centre contains a special 12 bed chronic pain unit to assist and help workers to learn to live with pain.

The Centre services workers from all parts of the Province and thus must be able to deliver services in both English and French. A difficult chore given the location of the Centre and the predisposition of French speaking New Brunswickers in general not to locate is Saint John and surrounding areas. Thus recruitment and retention of French speaking and bilingual health professionals is extremely difficult.

The Board has endeavoured to attract in particular physiotherapists and occupational therapists by instituting a bursary program for students but has encountered resistance due to a 2 year "residency" clause. (It is only reasonable that the Board should expect those who use their funds to attain their education to work for the Board for a couple of years after graduation.)

WORKERS' REHABILITATION CENTRE

Exhibit #6.1



In addition the Board is now working on a summer placement program for these students to familiarize them with the New Brunswick work scene in hopes of further encouraging their return after graduation.

It should be pointed out that this phenomenon is not isolated to the Board but is experienced throughout the health system in New Brunswick and has been the subject of joint study committees within the Province over the past several years and is addressed in the master plan for provision of health services as drawn up by the Department of Health.

An organization chart of the Centre and its various operations appears opposite as Exhibit #6.1.

The Centre has been actively working towards accreditation as a hospital to further demonstrate its credibility and credentials to its various users and constituencies.

FINDINGS AND CONCLUSIONS

The subject of rehabilitation in the minds of the injured workers is of paramount importance. While we heard from a minute portion of injured workers who had been treated at the Centre there were some general findings expressed from a variety of different points of view during our hearings which upon reflection we believe bear repeating:

- workers prefer to be treated for their injuries as close to home as possible
- French speaking New Brunswickers are "not comfortable" in Saint John and resent having to travel "down there" for treatment
- injured workers in the Northern part of the Province have to wait longer to be admitted to the Centre
- once at the Centre, there was a high degree of satisfaction with the quality of medical service

- o injured workers want to be dealt with in their mother tongue, either English or French

- o the Centre should be open on weekends thereby eliminating the need for injured workers to travel long distances or to book into hotels on weekends (even though the latter is paid for by the Board)

- o on arrival at the Centre, admissions can be difficult and traumatic (We heard stories of injured workers not being dealt with quickly upon their arrival; of not being dealt with in French and having difficulty in understanding what would happen during their stay, all of which generally took place amidst feelings of fear and anxiety.)

- o the authoritarian nature and attitude of the Board in requiring admission to the Centre on a given day, "or else", creates resistance to the program, hostility towards the Board and sometimes unwarranted fear on the part of the injured worker. There do not appear to be acceptable exceptions.

- o after being admitted some injured workers have then waited up to 3 days before seeing a physician (a further irritation when one remembers the Centre really operates Monday to Friday at noon and the injured worker may, if returning home, have a 3 to 5 hour trip)

- o injured workers object to being told that there is nothing the matter with them - "it's all in your head"

Based on 1986 statistics, we found the following:

Admissions to Centre	2,106
Average # of injured workers waiting for admission	130
Total # days spent waiting for admission	29,327
Total treatment days	35,606
Capacity utilization	99.6%
AveragewWait (varies by service)	4 weeks
Those requiring physiotherapy only	10%
Those requiring large amounts of physio followed by a combintion of other treatments	22%
Average length of treatment	5 weeks

Recommendations

In developing our recommendations certain basic principles with respect to the Rehabilitation of injured workers became cornerstone criteria:

- o injured workers should commence rehabilitation and physiotherapy as quickly as possible
- o preferably treatment should be delivered as close to the injured workers' home as is economically and medically practical
- o the delivery of services should be in the official language of the injured worker - either English or French
- o the quicker the treatment, the quicker the recovery

In order to test the effects of a variety of the combinations and permutations which could be considered we developed an interactive visual simulation model. Based on the results of that, (the results are to be found in Volume 2, Sections 7-14), we recommend the following:

105. That regional physiotherapy services be provided to injured workers who only require physiotherapy in regional private clinics certified by the Board.

106. That a comprehensive treatment program for injured workers who require a combination of treatments be designed to provide physiotherapy locally (regionally) in private clinics and the remainder at the Rehabilitation Centre.

107. That the pilot project be started in Bathurst and if successful followed by Edmundston and Moncton.

108. That the Workers' Rehabilitation Centre operate on a seven day a week basis, 7.5 hours per day.

109. That as treatment space becomes available in the Centre for which no injured workers exist, the Centre sell available treatment space to the Health Care System for services now being delivered by other Saint John hospitals but for which there is a waiting period.

Our simulation suggests that in doing this we should reduce the waiting period for the average injured worker by approximately 2.5 weeks, reduce his treatement period by an additional week, increase the maximum

patient days from 35,750 to 52,195 and create opportunity for increased revenue from the Health Care System while at the same time providing the injured worker with more timely service closer to his residence and reducing the amount of time he would be required to spend away from his home and family at the Centre.

These steps will require the Centre undoubtedly to upgrade its admitting practices and systems and upgrade its medical records department and its communications systems with other user groups. Some of this work has already commenced but not with a view to the 7 day operation.

Two other areas with respect to the Rehabilitation area were brought up, mileage rates and injuries in transit. After some consideration we came to the following:

Recommendation

110. That the mileage rates paid to injured workers be set at 75% of the Provincial Government mileage rate paid. (This level was chosen because such travel is not of a constant nature and need not include consideration for such things as licence, insurance, maintenance and repairs.)

111. That where an injured worker suffers additional injuries while in transit to or from the Centre for rehabilitation services he will continue to receive benefits until he has been rehabilitated, as at present.

7. WORKERS' AND EMPLOYERS' ADVOCATES

7.1 WORKERS' ADVOCATES

At present there are four Workers Advocates stationed throughout the Province in Saint John, St. Quentin, Bathurst and Moncton.

Much was heard in relation to the Workers' Advocate program, their functioning and their case loads. The majority of presentors who raised issues (and by no means did all) felt that:

- the case loads were too heavy
- the time they took to react was too long
- their territories were too large

On the other hand in-depth reviews of the admitted heavy caseloads of the Workers Advocates and discussions with them lead us to believe that given certain adjustments foreseen as a result of this review the need for additional resources is not justified, at least at this time.

However, another misconception which was common was that the advocates were really Board employees and answerable to the Board. The conclusion drawn by those making the assertion is that they cannot adequately or independently represent the workers. When pressed in the hearings it became obvious that there was little solid fact on which the assumptions were founded. What appeared to create a problem was injured workers looking for advocates and being told they were at the Board.

In fact because of the investigatory nature of their role and the fact that files cannot be removed from the Board, much of their time working on behalf of their claimants is spent reviewing Board files or discussing/arguing and debating matters with Board staff on behalf of injured workers.

Certainly the perception of the Board staff has of the advocates is that they are, if anything, too representative of their claimants.

When the Advocates are at the Board, calls to their offices may be referred to the Board or callers may be told that the Advocates are at the Board. To some this gives rise to the perception that the Advocates are really functionaries of the Board. Nothing could be farther from the truth.

The other issue that was raised was the method of their payment. In fact, Worker's Advocates are employees of the Department of Labour and report on a direct line basis to Mr. M. McGuigan, Executive Director of Planning and Administration for the Department. The Department receives a transfer payment from the Board annually to cover those costs. That is the only link.

It is interesting to note that the Occupational Health and Safety Commission likewise receives a transfer payment from the Board and yet no similar perception exists with respect to their members and staff being considered as employees of the Board.

Our conclusion is that the present practice with respect to direct reporting lines and payment is the most appropriate.

7.2 EMPLOYERS' ADVOCATES

No Employers' advocates exist within the Province. Some would say that employers can look after themselves - others and many of the small employers, when it comes to complicated and complex issues such as Worker's Compensation say - not so.

In reviewing the 12,000 companies covered in New Brunswick under Workers' Compensation it is interesting to note that:

1200 employ	more than 20 employees
1000 employ	between 10-20 employees
9600 employ	3-9 employees

There was no question that larger and more sophisticated companies would in most instances be able to and capable of representing themselves in compensation cases. However, as can be seen the vast majority i.e., 10,800 employers in the Province employ less than 20 employees.

It is not surprising given this distribution that many of those from whom we heard on employer side had difficulty dealing with the Board, interpreting the Act, responding in a timely and meaningful manner.

As we heard it is equally as frustrating to employees working for small employers not to have the Form 7 processed quickly and correctly as it delays the processing of the compensation claim.

In addition Claims Officers and handlers at the Board can become equally frustrated in chasing small employers to complete the form properly and in a timely fashion.

Thus it was agreed that employers' advocates are required.

However, all are concerned about the roles of both the Workers' Advocates and the Employers' Advocates. It was agreed that they should assist up to and including appeals hearings and may act as the presentor for their respective sides. <u>However, it is also the distinct intention of the Committee that the roles should not degenerate into litigious contests between the two advocates</u>.

7.3 RECOMMENDATIONS

That based on the above findings and conclusions that:

112. The number of Workers' Advocates remain at 4.

113. The 2 Employers' Advocates be hired one to be assigned to the North and be fluently bilingual, the other to be assigned to the South.

114. They be employees of the Department of Labour.

115. And as such that they be paid by the Department of Labour

116. The W.C.B. provide the funds to the Department of Labour to cover the costs of the Advocates by transfer payment.

117. The role of the advocates is to assist their respective parties up to and including presentation at the hearing and/or appeal and to undertake an education role with employers ensuring they are knowledgeable in compensation, correctly categorized and assessed.

118. The advocates are NOT to assume a combatative posture between themselves, the Board or the Appeals Tribunal in the pursuing of a case.

8. OCCUPATIONAL DISEASE PANEL

The original terms of reference looked at reviewing the feasibility of establishing such a panel under the auspices of the Workers' Compensation Board.

Several groups wrote and spoke to this issue and were unanimous in their thinking that if established it should not fall under the W.C.B.

It is generally acknowledged that at present occupational diseases in New Brunswick represent a small percentage of the overall costs of compensation. However, much concern exists across the Province with respect to the unknown in occupational diseases. Representatives of labour are concerned with amongst other things the possibility of lead poisoning, silicosis, industrial contaminants, carcinogens and even Aids as resulting in industrial diseases. Employers on the other hand feel that the matter is in hand through the Canadian Centre for Occupational Health and Safety and that there is no need for duplication of efforts since their research is available. Moreover, employers appear concerned about the escalating costs of to date unknown industrial diseases and are therefore hesitant to open any "Pandora's box".

The scientific community feels that the latency period for most industrial and occupational diseases is 10-20 years. As employees become more aware of the changes around them and as medical practitioners become more precise about causes of particular diseases and those contributing thereto the claims arena at the Board will undoubtedly be inundated with claims. Expectations of the user communities are too sophisticated to dismiss such claims in an offhand or cavalier manner.

There must be a mechanism established whereby medical, technical and scientific expertise assess the risks and potential results of certain conditions.

The Board continues through its own medical staff to update its expertise and to stay current on occupational disease issues.

However, while it does investigate particular cases, it is not equipped with sufficient human resources to conduct significant research projects.

Further, it would appear that the place within which this function should take place is not within the decision making body itself. Since credibility of findings and recommendations will be crucial to a panel's successful operation and it will be suspect if located within the Board itself.

8.2 RECOMMENDATIONS

119. That an Occupational Disease Panel not be established within the Workers' Compensation Board, but

120. That an Occupational Disease Panel be established under the Occupational Health and Safety Commission, and

121. That such Panel be ad hoc, and

122. That the Occupational Disease Panel be composed of scientific, technical and health professionals whose goal would be to provide direction to the O.H.S.C. for preventive efforts and programs and

    (a) to investigate possible industrial and occupational diseases

    (b) to draw conclusions and findings as to whether a probable connection exists between a disease and an industrial or occupational process or trade

    (c) to recommend to the WCB the creation, development or revision of criteria for the evaluation of claims respecting industrial and occupational diseases

(d) to recommend to the O.H.S.C. and W.C.B. educational and research priorities with respect to industrial and occupational diseases

(e) to act in an advisory capacity to the W.C.B. on request to recommend eligibility rules regarding compensation claims with respect to industrial and occupational diseases

(f) to liaise and consult with the Canadian Centre for Occupational Health and Safety in order to keep abreast of developments in the field and at the same time avoid duplication of effort.

9. THE ACT

Since its inception the Act has been added to, amended and deleted from, but never has it been rewritten. It is now in such a state, and we doubt if it will improve much with the 1988 amendments, that it is extremely difficult and complex to interpret.

The Board, its staff, the Appeals Tribunal the Advocates and the legal fraternity all have a great deal of difficulty in its interpretation and application. A drastic overhaul is needed.

Recommendation

123. That the Board be instructed to redraft the Act in its entirety in conjunction with the Department of Justice to deliver the policies enunciated in it, but in a manner and wording which is clearer and more easily interpreted. (This redrafting should be ready for the legislative agenda in 1989.)

10. OTHER RECOMMENDATONS

Some housekeeping recommendations we believe are also appropriate based on our findings:

124. Delete reference to Coal Miners pneumonoconiosis from the Act, and treat it as any other employment injury.

125. Delete reference to "silicosis" from the Act, and similarity "navigation".

126. Revise section 2(3) of the Act to exclude persons who engage in sporting activity as their main source of income and to exclude actors and actresses.

127. The Appeals by-law should become a regulation in the redraft of the Act.

128. To include in the preamble to the new Act a statement of the general purpose of the Act.

Woods Gordon

APPENDIX A

TERMS OF REFERENCE - PHASE II

1. To review the role of Workers' Compensation in the Province of New Brunswick.

2. To review the benefit level of claims and pension awards including indexation and integration with the Canada Pension Plan and Old Age Security.

3. To review the present and alternate mechanisms for funding Workers' Compensation.

4. To review policies, functions, procedures and administrative practices as well as the roles, responsibilities, authority and accountabilities of staff.

5. To review the results and findings of the Interdepartmental Committee on Rehab Personnel with the Departments of Health and Community Services and Education with respect to the feasibility of decentralizing the medical and rehabilitative services of the Board.

6. To review the Worker's Advocates Program and the feasibility of establishing an Employer's Advocates Program.

7. To review the feasibility of establishing an Occupational Disease Panel within the Workers' Compensation Board.

8. To hold hearings with interested parties and to gather information from the public through written briefs, oral submissions and meetings under the direction and through the participation of a steering committee composed of represen- tatives of employers, labour, injured workers and the Department of Labour.

9. To make recommendations with respect to redrafting the Workers' Compensation Act.

10. To make such recommendations as may be deemed appropriate with respect to the above issues.

11. To develop an implementation plan for all recommended changes.

12. To document the financial impact of any recommended changes as closely as practical.

13. To prepare a calendar of any required legislative changes.

14. To report to the Minister of Labour on or before November 30, 1987.

Woods Gordon

APPENDIX B

WORKERS' COMPENSATION REVIEW - PHASE II

Steering Committee Members

Employer Representatives:

Larry Fyfe	(Frasers Inc.)
Stephen Beatteay	(Saint John Construction Association)
Peter Quinn	(Ste. Anne Nackawic)
Alan Young	(Brunswick Mining and Smelting)

Employee Representatives:

Gary Savoie	(Construction Industry)
Allan Levine	(President - Saint John District Labour Council)
William Whalen	(CUPE Representative)
Hermel Thériault	(Injured Workers Association)

Steering Committee Meetings:

April 16, 1987	
May 20, 1987	
June 1, 1987	(hearings - Newcastle)
June 2, 1987	(hearings - Caraquet)
June 3, 1987	(hearings - Bathurst)
June 8, 1987	(hearings - Fredericton)
June 10-11, 1987	(hearings - Saint John)
June 22, 1987	(hearings - Moncton)
June 24, 1987	(hearings - Campbellton)
June 25, 1987	(hearings - Edmundston)
June 29, 1987	(hearings - Fredericton)
July 13-14-15, 1987	
July 29, 1987	(meeting local 1866, Saint John)
August 13-14, 1987	
November 18, 1987	

Woods Gordon

APPENDIX C

PHASE II - BRIEFS AND PRESENTATIONS

1.	New Brunswick Teachers' Federation Fédération des enseignants du Nouveau-Brunswick	(written only)
2.	Maritime Data Centre, Inc.	(written/oral - Saint John)
3.	New Brunswick Chiropractors Association	(written/oral - Saint John)
4.	Office of the Worker's Advocate Bureau des Défenseurs des Travailleurs	(written/oral - Saint John)
5.	New Brunswick Nurses Union Le Syndicat des Infirmieres du Nouveau-Brunswick	(written only)
6.	New Brunswick Hospital Association L'Association des hopitaux du Nouveau-Brunswick	(written only)
7.	NB Tel	(written only)
8.	Injured Workers Association of Restigouche L'Association des accidentés de Restigouche	(written/oral - Campbellton)
9.	L'Association de accidentés de la Péninsule Acadienne	(written/oral - Caraquet)
10.	City of Campbellton	(written only)
11.	The Scarred for Life Association Inc.	(written/oral - Moncton)
12.	Construction Association of New Brunswick	(written/oral - Fredericton)
13.	Le Conseil du travail de la Péninsule Acadienne	(written/oral - Caraquet)
14.	Le Conseil du travail d'Edmundston et la région	(written/oral - Edmundston)
15.	L'Association des Accidentés du Travail du Nord-Ouest Inc.	(written/oral - Edmundston)
16.	La Société des Acadiens du Nouveau-Brunswick	(written/oral - Bathurst)
17.	Newcastle - Chatham & District Labour Council	(written/oral - Newcastle)

18.	Canada Post Corporation Société Canadienne des postes	(written only)
19.	Lantic Sugar Limited Sucre Lantic Limitée	(written/oral - Sain John)
20.	New Brunswick Building Trades Council New Brunswick Council of Labour	(written/oral - Fredericton)
21.	Local 967, Canadian Brotherhood Railway Carmen	(written/oral - Fredericton)
22.	Christian Science Committee	(written only)
23.	United Steelworkers of America and the USWA Local Union in the Bathurst Area Syndicat des Métallos et le syndicat local des Métallos dans la région de Bathurst	(written/oral - Bathurst)
24.	New Brunswick Medical Society La Société Médicale du Nouveau-Brunswick	(written only)
25.	Canadian Union of Public Employees Syndicat Canadien de la Fonction Publique	(written/oral - Saint John)
26.	Canadian Union of Public Employees Local 946	(written only)
27.	Canadian Union of Public Employees Local 1866	(written/oral - Saint John)
28.	John Skidd	(written/oral - Saint John)
29.	Tim Horton Donuts	(written/oral - Fredericton)
30.	Fredericton and District Labour Council	(written/oral - Fredericton)
31.	The New Brunswick Federation of Labour Fédération des Travailleurs et Travailleuses du Nouveau-Brunswick	(written/oral - Moncton)
32.	Canadian Manufacturers' Association - New Brunswick Branch L'Association des Manufacturiers Canadiens, Section du Nouveau-Brunswick	(written/oral - Moncton)
33.	Saint John Shipbuilding Limited	(written/oral - Saint John)

34.	Premier's Council on the Status of Disabled Persons	(written/oral - Saint John)
35.	Saint John District Labour Council	(written/oral - Saint John)
36.	Office of the Ombudsman Bureau de l'Ombudsman	(written only)
37.	Canadian Paperworkers Union Syndicat Canadien des Travailleurs du Papier	(written/oral - Moncton)
38.	The New Brunswick Association of Nursing Homes Inc. L'Association des foyers de soins du Nouveau-Brunswick Inc.	(written only)
39.	The New Brunswick Fish Packers' Association L'Association des empaqueteurs de poisson du Nouveau-Brunswick	(written only)
40.	Dr. Daniel de Yturralde	(written/oral - Moncton)
41.	The Metal Working Association of New Brunswick	(written only)
42.	The New Brunswick Mining Association	(written only)
43.	Merlac Marine Inc.	(written/oral - Moncton)
44.	Brunswick Mining and Smelting Corporation Limited	(written/oral - Fredericton)
45.	J.D. Irving Ltd.	(written/oral - Fredericton)
46.	Campbellton-Dalhousie & District Labour Council	(written/oral - Campbellton)
47.	Canadian Paperworkers Union, Local 263	(written/oral - Campbellton)
48.	Atlantic Building Supply Dealers Association	(written/oral - Moncton)
49.	New Brunswick Occupational Health and Safety Commission Commission de l'hygiene et de la sécurité au travail du Nouveau-Brunswick	(written/oral - Fredericton)
50.	Hospitality New Brunswick Hospitalité Nouveau-Brunswick	(written/oral - Fredericton)

51.	Communications and Electrical Workers of Canada Le Syndicat des travailleurs et travailleuses en communication et en électricité du Canada	(written/oral - Fredericton)
52.	Versa Services	(written/oral - Fredericton)
53.	Fraser Inc.	(written/oral - Fredericton)
54.	New Brunswick Occupational Health Nurses Group	(written/oral - Saint John)
55.	Saint John Learning Exchange	(written/oral - Saint John)
56.	City of Saint John	(written only)
57.	Board of Management Conseil de gestion	(written only)

ORAL PRESENTATION ONLY

1.	Frank Haley	Moncton
2.	Léo Cormier	Moncton
3.	Edgar Savoie	Campbellton
4.	John F. "Lofty" MacMillan, C.D.	Campbellton
5.	Employees Mutual Benefit Association	Campbellton
6.	John McEwen	Campbellton

Woods Gordon

APPENDIX D

PHASE II HEARINGS

June 1, 1987 - Newcastle

1. Newcastle & Chatham District Labour Council

   - Frank Clancy

June 2, 1987 - Caraquet

1. Counseil du travail de la péninsule acadienne

   - Yvon Roy, President

2. Association des accidentés de la péninsule acadienne

   - Raymond Kenny, President
   - Jean-Marie Gionet, 2nd Vice-President
   - Antonio Plourde, 1st Vice-President and Spokesperson

June 3, 1987 - Bathurst

1. Société des acadiens du Nouveau-Brunswick

   - Norbert Roy

2. United Steelworkers of America and USW Local 7085 in Bathurst
   Syndicat des métallos et le syndicat local des métallos région de Bathurst

   - Lawrence McBrearty, International Representative USWA et al (9 union reps)

* 3. Yvon Godin, President of USW 7085 local at Brunswick Mines

June 8, 1987 - Fredericton

* 1. Workers' Compensation Board
   Commission des accidents du Travail

   - Andrew Rauska, Director of Benefit Services
   - John Doucet, Director of Vocational Rehabilitation

2. Tim Horton Donuts

   - Reid Manore, Fredericton
   - Joanne Manore
   - Dale Ritchie, Saint John

3. Construction Association of New Brunswick

   - Douglas Messer
   - Bruce Daniel, Executive Director

4. Fredericton and District Labour Council

   - Glen McGuire, President
   - Susan Barton, Vice-President, NBFL responsible for York-Sunbury counties

June 10, 1987 - Saint John

1. Saint John Learning Exchange

   - Dr. Travis Cushing, Chairman - Management Committee
   - Marion Wells, Director

2. Lantic Sugar Limited
   Sucre Lantic Limitée

   - Edouard Mathurin, Human Resources Manager
   - Tim Locke

3. Office of the Worker's Advocates
   Bureau des défenseurs des travailleurs

   - Richard Clark
   - Kevin O'Connell

4. Canadian Union of Public Employees
   Syndicat canadien de la fonction publique

   - Robert Davidson, National Representative, CUPE
   - Yvon Roy
   - Tom Butler

5. Saint John Shipbuilding Limited

   - G.R. Buckland, Vice-President - Personnel & Human Resources-Spokesperson
   - Hugh Magee, Manager
   - Roy Sciller, Health & Safety
   - Richard Owen, Shipyard

6. New Brunswick Occupational Health Nurses Group

   - Anne Masters-Boyne, Spokesperson
   - Mary Breen
   - Kathy Craig

7. Saint John District Labour Council

   - John Daly, Spokesperson
   - Marg Boucher, Injured Workers Committee, Labour liaison with C.L.C.

8. Maritime Data Centre

   - David O'Brien, Legal Counsel and Spokesperson
   - Charles Terenzi, Executive Director
   - Don Scott, Saint John Manager

9. New Brunswick Chiropractors Association

   - Dr. Glen Johnston
   - Dr. Peter Magee

June 11, 1987 - Saint John

1. Canadian Union of Public Employees Local 1866

   - Bob Davidson, Spokesperson
   - Valerie Hall
   - Linda Daniels
   - Linda Matheson
   - Pat Allaby
   - Pat Hay

2. John Skidd

   - Bob Davidson
   - John Skidd

3. Premier's Council on the Status of Disabled Persons

   - Randy Dickinson, Executive Director

June 22, 1987 - Moncton

1. Dr. Daniel de Yturralde

2. Frank Haley

3. Scarred for Life Association

   - Ian MacDonald, President

4. Canadian Paperworkers Union
   Syndicat canadien des travailleurs du papier

   - Elmo Whittom, Vice-President, CPU Eastern District
   - Max Michaud, Edmundston (National Rep)
   - Paul Young, Fredericton
   - John McLaughlan, President, Newcastle local
   - Peter MacLean
   - Nick Landry

5. Léo Cormier

6. New Brunswick Federation of Labour
   Fédération des travailleurs et travailleuses du Nouveau-Brunswick

   - Tim McCarthy, President
   - John Murphy, Executive Secretary
   - John McEwan, 1st Vice-President, Dalhousie
   - Kim Adams, President, Moncton District
   - Cathy Leger, Vice-President, Moncton
   - Charles Rheault, Project Officer

7. Canadian Manufacturers Association
   L'Association des manufacturiers canadiens

   - Jack Stultz, Chairman - NB Branch
   - Gerry Cluney, Vice-President, NB Division
   - Walter Carlson, Workers' Compensation Committee
   - Raoul Ouellette
* - John Ward, Executive Director, Atlantic Building Dealers Association

8. Merlac Marine Inc.

   - Brian Ritchie, President

9. Local 967 Canadian Brotherhood of Railway Carmen

   - Gregory Murphy, President

June 24, 1987 - Campbellton

1. Edgar Savoie

2. Injured Workers Association of Restigouche

   - Gerard Albert, Injured Workers
   - Kevin O'Connell, Worker's Advocate
* - Danny Bernachez, CUPE local
* - Sarah Allain
* - Mike Nichol

3. John "Lofty" MacMillan, C.D.

4. Employees Mutual Benefit Association

   - John McEwen, President

5. John McEwen

6. Canadian Paperworkers Union Local 263

   - Sandy Beckingham

7. Campbellton - Dalhousie & District Labour Council

   - Sandy Beckingham, President

June 25, 1987 - Edmundston

1. Association des accidentés du travail du nord-ouest, inc.

   - Rodolphe Martin, President and Spokesperson
   - Jeannine Theriault, Secretary Treasurer
   - Mr. Lavertu
   - Laval Chenard

2. Conseil du travail d'Edmundston et la région

   - Rhéal Couturier, President
   - Maurice Clavette, Secretary Treasurer - NBFL

June 29, 1987 - Fredericton

1. Occupational Health and Safety Commission
   Commission de l'hygiéne et de la sécurité au travail

   - Georgio Gaudet, Chairman
   - Bryan Whitfield, Director
   - Bob Davidson, Employee representative
   - Bill Butler, Employer representative

2. Hospitality New Brunswick
   Hospitalité Nouveau-Brunswick

   - Clive Ramshaw

3. New Brunswick Council of Labour
   Building Trades Council

   - John Cole, President, NB Council of Labour
   - Bob Whitehead, Building Trades Council

4. J.D. Irving Limited

   - Gary Sudal, Manager - Industrial Relations
   - Charles Cain

5. Frasers Inc.

   - Real Ouellette, Manager - Human Resources, Woodlands & Sawmills
   - Regal MacLean - Vice President, Human Relations

6. Versa Services

   - Amery Boyer
   - John Poulos, NB representative

7. Brunswick Mining and Smelting Corporation

   - Jim Hocquerd, Safety Supervisor, Mining Division
   - Lionel Haché, Safety Supervisor, Smelting Division

* Unscheduled

MEETINGS AND INTERVIEWS

Board of Management

Barb Fulton - Executive Director Human Resources
Larry Peddie - Labour Relations, Negotiator
Jo Ann Fellows - Research Co-ordinator

Department of Health

James Carter - ADM Health Care
Dr. H.W. Wylie - Director, Medical
David Potter - Director Program Standards & Support
Benny Hoyt-Hallett
Jean-Claude Haché - Director, Medicare

Justice

Bruce Judah, Solicitor

CUPE

Rick MacMillan - National Representative
Pat Allaby - Local 1866, President
Pay Hay - Local 1866
Linda Matheson - Local 1866
Valerie Hall - Local 1866
Linda Daniel - Local 1866

Workers' Compensation Board

Roland Boudreau - Acting Chairman
Chester Dean - Acting Board Member
Kevin O'Connell - Acting Vice Chairman
Brian E.H. Baxter - Executive Director
C.I. Robertson - Director of Claims
Eric H. Rector - Director of Finance
Dr. Eric McCartney - Director, Medical
Andrew Rauska - Director of Benefit Services
William McNulty - Director, Board of Review
John Doucet - Director of Voc. Rehab.
David J. Campbell - Director of Human Resources
M. Dianne Ormandy - Administrator W.R.C.
Victor Morin - Director of Information Systems
Florence Sweet - Chairperson E.E.L. & P.A.C. Committees
Omer Robichaud - Assistant Director of Claims

Workers' Compensation Board (Cont'd)

Allan Cromwell - Asst. Director of Voc. Rehab.
Lawrence Devitt - Admin. Rates/Risk Management
John Maguire - Assistant Administrator W.R.C.
J. Gerald Stack - Manager of Assessments
Jean Landry - Comptroller
Kate Coffman - Director of Occupational Therapy
Barry Roberts - Director of Physiotherapy
Benoit Bissonnette - Claims Investigator
Brent Hoyt - Administrator Taxing & Computing
Suzie Belanger - Asst. Claims Officer
Dale Forbes - Data Processing Manager
Jeanette Higgins - Supervisor of Assessments
Marie Vuozzo - Registered Nurse W.C.B.
Kim Doucet - Claims - Taxing Computing Clerk
Marlene Clark - Claims - Unit Clerk
Dorothy Burns - Claims - Claims Assistant
Mary Jane Underhill - Claims - Clerk Typist
Charlene Gordon - Claims Data Entry/Summary Clerk
Susan Dickson - Filing Clerk
Lynn Spear - Floater
Suzanne Dubois - Claims - Stenographer

DETAILED REVIEW OF CLAIMS FILES FROM DMR REPORT

CLAIMS FILES

The Claims Department has the responsibility for the management of all claims submitted to the Board for adjudication including the control and maintenance of all Claims files. Approximately 30,000 new claims are submitted for adjudication on a yearly basis.

The Claims Department is organized into four units - three Claims Units and a Taxing and Computing Unit. Each of the Claims Units have the same organizational structure and are responsible for all claims which fall into a specified alphabetical range (based on the claimant's surname). This responsibility includes the adjudication of all claims, handling of phone and written enquiries, follow-up for required forms or other information, and the physical storage, retrieval, control and maintenance of all associated files. All Claims Units operate in a similar manner.

Note: The terms "file" and "claim" are used interchangeably throughout the remainder of this section as there is a one-to-one relationship between a file and a claim.

FILE DESCRIPTION

File Index

No comprehensive index detailing the contents of the Claims files exists. Some specific information from file documents is maintained on the computer database. When a file must be retrieved, the database information is used to identify the file number(s) relating to a specific claimant and to determine the status of a claim.

The lack of a comprehensive index means that the files must be accessed frequently, often only to determine if a certain document has been received.

File Contents

Each Claims file contains all documents related to one claim (injury or incident). Depending on the naure of the injury of incident the file will contain a variety of documents such as:

- Forms 6, 7, 8 (mandatory documents for Loss of Earnings claims);
- medical reports;
- medical or other bills;
- correspondence originated both internally and external to WCB;
- "notes to the file" - either in hand or typewritten format; and
- Summary Sheet - summary of all the vital information pertaining to the claim, including payment details.

File Size

Files vary in size, from only one or two documents for a "claim recorded" to hundreds on a complex and lengthy case.

Identification of File Type

The status of a claim is visually identified through the use of a colour-coded series of file jackets. The colour-coded system was developed and is used primarily as a visual aid when locating files within the WCB main building. For example, if a Claim file must be retrieved and the status of the claim is known to be Benefit Services payments, the file clerks and other personnel will do a visual search looking for a "green" file jacket. Occasionally, the wrong colour file jacket will be placed on a file and because of the extensive reliance on the colour coding system finding the file becomes a very lengthy process.

The jacket colours currently in use and the associated claim status are:

Colour	Description
Buff	pre-adjudication (P.A.)/final/pension
Red	day cases (receiving benefits from Claims Dept.)
Black	"urgent" - due for cheque and therefore must be returned to Claims area as soon as possible
Yellow	Rehabilitation Dept. files
Green	Benefit Services files (receiving benefits)
Blue	Medical Trip Files
Orange	resurrected from microfilm
Red/green stripe	admissions to the WRC

CREATION/STORAGE OF FILES

New Files

New physical files are created by Claims Department staff following the initial review of incoming documents. If a claim for the same incident has not been recorded, the file is opened and a colour-coded number is sequentially assigned to the file jacket. This file/claim number becomes the key to all future references to that specific claim. The colour-coded numbers permit easy identification of any files which might be mis-filed on the shelves.

Claims are classified during the initial adjudication process as one of:

- major;
- minor;
- disallowed;
- claim records; or
- fatal.

Depending on the type of claim, certain documents/forms must be submitted to WCB and placed on the file.

As well the "active" life of a file is directly linked to the type or classification of file. For example, a minor claim is one which has usually only one payment assigned to it. On the other hand, a major claim involves payment for loss of earnings time and may be ongoing for a number of weeks or months depending on the nature of the injury.

Additions to File

The following types of information and documents/forms are placed on the file at different times depending on the action occurring on the file:

Incoming Documents/Forms

The majority are forwarded to the Claims Department and filed by the file clerks as received. However, some incoming documents are addressed to specific department. Depending on the nature of the document, the department may forward the document to the Claims area for filing or call for the file and place the documents on the file themselves.

Internally Generated Documents/Forms

Most of these documents are placed on the file by the originating department or area.

Information on Summary Sheet

This information is updated as necessary with such information as date that a cheque was produced. This data is added to the file by the originating area or department.

"Notes to File"

Hand or typewritten notes may be added to the file at any time. These are added by individuals as necessary, e.g. to record a phone enquiry and the result.

Organization of File Contents

Documents are placed on the file in the order in which they are received or created, that is, in chronological order. No sorting or "arranging" of documents by type is done on the majority of files.

However, if a file must be submitted to the Board for review, it is normally "arranged". An "arranged" file has all documents sorted by type (e.g. medical reports, taxing documents) and each category clipped together. This facilitates the review of the file by making documents much easier to find.

It is relatively easy for a document to be moved by users out of chronological order or to be accidently shuffled to the wrong file. It is also very time consuming to locate a specific document, especially when the file is very large. Documents can easily get lost because documents are not physically attached to the file.

Physical Location of Files

The Claims files are physically located in the following main areas within the WCB building:

Type	Location	Description
Current	Claims Dept., main area	Two (2) years.
Old	Downstairs	Five (5) years prior to those housed in main area of Claims Dept.
Old (used frequently)	Claims Dept., main area	Files more than two (2) years old but which are accessed frequently.
Dormant	Basement	All years up to and including 1979 (on microfilm).
Pensions	Claims Dept., separate room	All pension files.

With the exception of the Pension files, movement of files from one area to another for storage purposes is based on availability of space.

In addition to the files located in the areas noted above, Claims files are also physically stored in a number of other areas or departments on a "long" term basis. This depends on the status of the claim, i.e., action occurring on the claim or the type of payment being made on an ongoing basis.

The "sub-filing" areas identified during the interviews and the type of files stored in each are:

Location	Description
Director, Claims Dept.	Fatal Claims.
Benefit Services	Files for all claimants receiving Extended Earnings Loss benefits.
Vocational Rehabilitation	Files for all claimants receiving benefits from Rehabilitation.
Claims Department	Pensions.
Medical Department	Out-of-Province claims.

Files are also kept for shorter lengths of time in the following areas:

Location	Description
Medical Department	Claimant awaiting admission to the WRC (admissions initiated by the Medical Dept.)
Medical Department	Claimant call-in (individual coming in for Medical Officer's examination).

Files will remain on a semi-permanent basis in each of the sub-filing areas until the status of the claim changes. At that time they will move back to the Claims Department or to another department's sub-filing

area, based on the new action occurring. It is difficult to know where a particular file could be located at any point in time.

Organization of File Storage - Claims Area

Each Claims Unit in the Claims Department is responsible for the storage of Claims files based on the surname of the claimant:

Unit A	A - F
Unit B	G - M
Unit C	Mc - Z

Within each unit, files are grouped on the shelves depending on the type of file or action to be taken. The colour coded file jackets assist in identifying the various grouping. The storage groupings identified within each Claims area are:

o Finals	Buff
o Day cases	Red
o Resurrected from microfilm	Orange
o Medical trips	Blue
o Pre-adjudication (the "coop")	Buff
o Elastic together*	Combination
o Old (those frequently used)	Various colours dependent on action

* The "elastic together" files are groupings of files for the same claimant who has had the same type of injury on different dates. (Does not include injuries for the same claimant which are different in nature.) These are physically stored together with an elastic band. This facilitates quick retrieval of all related injuries for the claimant. All files existing for a claimant must be reviewed when the same injury occurs more than once.

With the exception of the files resurrected from microfilm and the "elastic together" files, file type or status can be determined from the current compute database. A combination of file number and claim status helps the file clerks to retrieve the files from the storage bays quickly. The "elastic together" files are filed alphabetically by claimant name. All others are in order by claim number.

FILE RETRIEVAL

Services Provided by Claims Department

The following services are provided for users by the Claims Department to facilitate the timely retrieval of files and for ease of file use:

"Call" Requests

Users can complete a "Request for File" form specifying the file required. If "Urgent" is indicated on the form, the file is retrieved immediately from the storage bays or the building is searched until the file is found and forwarded to the requesting individual.

If the file is not on the shelves in the Claims Department and retrieval of the file is not urgent, the file number is added to the file clerks regular list of files to be retrieved. The file is then "tagged" for forwarding to the requesting area.

"BF" (Bring Forward)

A "Bring Forward" service is provided. Users can complete a sheet attached to the file jacket to indicate the date the file is required. This information is logged by the file clerks and the files pulled 2-5 days ahead of time (depending on the individual unit's procedures).

Users indicated that they did not make extensive use of the service because of lack of confidence in getting their file when required. Many users keep their own BF system.

"Tags"

If the file is required by a department or individual but is being used by another area within WCB, the file clerks will put a "tag" on the file jacket to indicate where it should be forwarded. Files may have as many as five (5) tags on them and it is often difficult to determine what the priority routing should be. It was indicated that some files have taken as long as 6-8 weeks to be routed to them.

"Arranging" of File Contents

Upon request large files will be put in a sorted order by document type and chronological sequence ("arranged"). This is usually done when the file must be reviewed by the Board. The majority of files are not "arranged" because of lack of time on the part of the filing clerks.

Method of Access

The filing clerks have the primary responsibility for retrieving files and forwarding them to the appropriate area. If the file is not in the bays the clerks find the file and tag it.

Files are moved from one area of WCB to another in one of the following ways:

- o forwarded directly by file clerks from the storage bays (because of incoming document(s) or as result of request);
- o retrieved from storage bays by person requiring file;
- o retrieved from another department by the file clerks and forwarded to requesting area;
- o retrieved from another department directly by person requiring file; or
- o forwarded from another area of WCB (because of "tag" on file jacket).

Files are normally requested by both the claimant's name and the claim number. The claim number is obtained from:

- o the form/document being reviewed;
- o the computer database; or
- o the dormant file card index (obtained only by file clerks).

Because of the number of people involved in the retrieval and physical transfer of files, it is extremely difficult to control the location of the file at any one time.

Frequency of Access

The frequency of access depends on the individual department's responsibilities, e.g. Financial Services access the files on only an

occasional basis while the Medical Department sees a high volume of files on a daily basis.

Extent of Access

Once a claim has been approved and regular payments are being made, in most instances only a specific document on the file must be reviewed. The particular form/document required varies depending on the stage the claim is at and/or the action taking place. Usually, only the most recent document(s) are required (up to one month old). Other accesses can go back to the original claim date, and therefore involve multiple documents (e.g. Board reviews because of appeals).

Multiple documents are required for such actions as:

- review of claim to determine benefits to be provided, if any;
- claims under appeal;
- medical review; and
- answer enquiry on reason for claim disallowance.

In addition, all documents on a claim file must be available when a request is made under the Access to Information Act (ATI). Such a request requires that all documents stored in the Claims file be photocopied and provided to the claimant or the claimant's representative.

Reason for File Access

With the exception of the Systems and Data Processing and Human Resources Departments, all departments within the WCB require access to the Claims files. Typically, the file is required in order to obtain "information" from one of the documents stored on the file. This information is not available on the computer database nor in another readily accessible

form. Less often the file is required in order to review its entire contents or many of the documents on it.

The primary reasons for requiring file access are listed below:

- Phone/letter enquiries;
- Receipt of new documents;
- Review of new documents;
- Day cases review;
- Appeal process;
- Extended earnings loss review;
- Benefit services reviews;
- Vocational rehabilitation reviews; and
- WRC admissions.

Additional detail is provided below for certain of these situations:

Phone/letter enquiries

All departments - receive enquiries on a daily basis. The majority are handled by personnel within the Claims Department.

Many of the calls are for general information only and do not necessitate the retrieval of any files. Other enquiries can be answered from the information stored on the computer database, e.g. whether a cheque has been mailed.

Enquiries which require the claimant's file in order to respond include such questions as expenses.

Receipt of New Documents

Each new claim document must be placed on the associated file. This is the responsibility of the filing clerks.

Review of New Documents

Certain types of documents must be reviewed prior to placing on the file. For example, medical reports are sent to the Medical Department for review immediately upon receipt.

Day Cases Review

Medical Department - All "day cases" are reviewed by the Registered Nurses on a two week cycle. This requires review of the latest medical or other reports which have been placed on the file since the previous review, in order to verify that payments should continue.

Appeal Process

The contents of the file must be reviewed by the person(s) hearing the appeal.

Timeliness of File Retrieval

The urgency of retrieving a particular Claim file varies depending on the reason for request:

- o immediate access - claimant or representative is on the WCB premises;
- o one hour to one-half day - some phone enquiries, e.g. calls to the Board from political representatives;
- o one day or less - to respond to enquiries (this is the goal of the Claims Department); or
- o more than one day - review of file for specific benefits.

The actual time for retrieval varies from as much as five (5) minutes to several days depending primarily on the location of the file at the time at which it is requested. If the file is on the storage bays in the Claims Department, retrieval time is minimal. However, if the file is in another area of the WCB building, a physical search of the building is necessary and retrieval may take a considerable amount of time.

Retention of Files in Departments

The length of time that files are retained in a department varies depending on the action taking place. In general, files will remain with one individual for a maximum of one to two days. Files may remain in an area for a longer length of time if certain actions are taking place:

- o if waiting for correspondence to be written and typed;
- o if waiting for information in order to make a decision regarding the file;
- o if claim under review for any reason; or
- o if staff in an area are exceptionally busy and unable to attend to the file immediately.

In addition, files may be retained in an area such as the Medical Department (see description under "Location of Files") in order to ensure their timely retrieval when certain actions such as admission to the WRC take place.

FILE CONTROL

The following information is logged in each Unit of the Claims Department in order to track the location of files:

Charge Out Book	Record of all files sent to the Workers Advocates or to the Board;
Going Out Book	Record of files leaving the building (e.g. medical trips).

No other mechanisms exist within the Claims Department to assist in the tracking and control of the location of Claims files. When a file is required and cannot be found in the storage bays, the filing clerks

physically "search" the building for the required file and take the appropriate action. The clerks spend most of their day looking for files. If the request for the file is urgent, many people may be involved in the search and the search could last thirty to forty minutes or longer.

The lack of control over the location of the file was indicated as the biggest problem with the Claims files. Processing of claims could be delayed and a lot of time is lost when a file is required urgently and everyone must search for it.

DOCUMENT CONFIDENTIALITY

All Claims files are considered confidential and therefore access is restricted. WCB personnel can discuss the information contained on most documents with claimants or their representatives if a verbal or written enquiry is made. However, the contents of such documents as employer's reports or medical reports cannot be relayed without proper authorization under the Right to Information Act.

Claimants must be in the appeal process in order to request access to all documents contained in their file and such applications are handled by the Board Secretary.

In addition to the WCB staff, the Workers' Advocates are permitted access to all documents on a claimant's file while they are in the process of a review on behalf of the claimant. The Workers' Advocates are located in the same building as the main WCB and all files forwarded to them are logged in a book.

SECURITY OF FILES/DISASTER RECOVERY

Security of Files

There are currently no mechanisms in place to ensure that files are kept within the WCB building unless logged out to a WCB employee. Files sometimes appear to be lost because an individual has removed them from the building and forgotten to inform the Claims Department. As well, there are no safeguards to prevent the removal of files by other than WCB personnel.

Disaster Recovery

Two storage media are used to maintain all documents relating to claims within the WCB - paper and microfilm. As well, limited information relating to all claims received after the computer database was established is stored on the computer.

There is currently no backup of any of the paper files. Because of the high volume of claims which are processed yearly and the need to access files from prior years, it would be virtually impossible to resurrect the contents of the files should a disaster such as fire occur. As well, many of the documents on the files are considered legal documents and the signatures on the documents are of prime importance. These signatures could not be duplicated should a disaster occur.

The microfilm containing all Claims files up to and including 1979 is stored in a fireproof vault on the Board premises. However, the index which provide a cross-reference between claimant name, claim number and year of claim is in paper medium and it would be extremely difficult, if not impossible, to recreate should a disaster occur.

DORMANT FILES

All files created up to and including 1979 are now stored on microfilm. A project to begin transferring file documents from files created after 1979 is underway at this time.

A manual card index to these dormant files is maintained (in the basement). The index cards are filed alphabetically by client name within date (year) and contain only limited information. If a dormant file must be accessed, the file clerks must search these cards, often through multiple years, in order to find the claim number. A separate listing of file numbers, which is kept upstairs, is then checked to determine the file number. The film is then retrieved and a copy of the entire file contents made.

The current retrieval procedures for dormant files are very time consuming and unwieldy. Examples of the problems include the following:

- often the wrong file is retrieved because the card index does not show the nature of the injury. If a claimant had multiple claims, there is no way of easily determining the proper file to retrieve;
- often the cards for multiple years must be searched in order to find the client's name;
- the physical location of the index cards (basement), film index (main floor), and reader/printer (basement) adds to the time required to retrieve the information.

In addition to the problems noted above, the following were also identified:

- there appears to be no standard retention time for the "resurrected" files; often a file is resurrected only to place a new document on the file and no further action is required;
- the entire resurrected file must be microfilmed in order to incorporate the new document(s); the film index must also be updated.

PHOTOCOPYING OF DOCUMENTS

Documents contained on the files are photocopied for the following reasons:

- o all pertinent documents relating to a claimant upon the claimant's admission to the Workers' Rehabilitation Centre (Medical Services);
- o documents contained on Out-of-Province claims files (Medical Services)
- o to create sub-files for distribution to district Rehabilitation office (Vocational Rehabilitation; or
- o when a request is made (under ATI) by a claimant or the claimant's representative to review the contents of the file.

POLICIES - DOCUMENT RETENTION

Legal Requirements

Many documents placed on the Claims files must be kept for an indefinite length of time for two primary reasons:

- o some documents, e.g. medical reports, have signatures and are therefore considered legal documents; and
- o an enquiry can be received about a claim many years after the claim has been considered final (enquiries on incidents dating back to the 1950's have been received).

The original documents or an "image" of the document must therefore be retained.

Current Policies

File contents are microfilmed periodically based on the availability of physical storage space. Files are moved from the "active" to the "inactive" storage areas placed on space restrictions.

No policies currently exist pertaining to the retention of files based on such factors as file activity.

All documents on all files are retained indefinitely. No policies exist specifying which "documents" must be retained and which have no relevance beyond specified timeframes.

WCB EXPERIENCE UNDER OTHER FUNDING SCHEMES

There are over 50 different compensation systems currently in the U.S. These systems are comprised of a combination of state insurance, private insurance, self insurance and group self-insurance. The majority of states have compulsory laws regarding compensation, however, three states have elective laws - New Jersey, South Carolina and Texas.

The elective laws allow an employer to elect to remain without coverage. If the employer elects this option, then the employer waives three essential rights:

- voluntary assumption of risk
- risk of common employment (fellow servant doctrine)
- contributory negligence

The majority of employers in the three states which have elective laws have opted for coverage.

All states require some type of insurance except for the following, who have exclusive state or federal funds.

North Dakota	State Fund
Ohio	State Fund
Washington	State Fund
Wyoming	State Fund
West Virginia	State Fund
Federal Government	Federal Fund

The only states which do not permit self-insurance are the following:

North Dakota
Texas
Wyoming

The Federal Government is also exempt from self-insurance.

In some states, (about 25) both individual and group self-insurance are permitted. Self-insurance developed as a response to

resolving a growing problem. The initial decision to self-insure was based primarily on economic concerns. Employers decided that their funds were relatively large and their risks were relatively slight and therefore losses would be minimal. As the rules for entitlement were reformed and became less stringent and 90% of employees were successful in collecting benefits, the costs of self-insurance became both enormous and prohibitive.

In order to become self-insured, the employer must get permission from the Workers' Compensation Commission or the State Compensation Fund or whatever state organization has the authority to administer the Act (this varies from state to state). The employer must post a bond to demonstrate economic self-sufficiency. The two main methods of posting a bond is for the employer to post his or her own bond or buy an insurance bond. The employer has to demonstrate a good operating track record, financial stability and a good past payment record. The purpose of the bond is to ensure that the employer has sufficient financial reserves to pay benefits.

Once an employer has been approved to self-insure, the claims adjudication process is in the hands of the employer and the settlement goes to the Board for automatic approval. The Board is notified that a claim has occurred and a copy of an accident report is provided to them, accompanied by a projected length of disability. The Board will send the employee a closing statement at the estimated date of benefits closure in order to advise the employee of their right to appeal. Once the employee appeals his or her case, then the Board gets involved. The employee may appeal amount of payment, lack of entitlement, continuing benefits, etc. The Boards are not inquiry boards but rather judicial boards and they hear the appeal and determine the outcome based on evidence presented at the hearing.

Far too many employers have been allowed to self-insure and as a result, many bankruptcies have occurred. These are particularly noticeable in industries where regulations have been abolished, trucking and electronics for example. The amount of compensation benefit payments in the U.S. are substantially lower than those paid in Canada and better compared with Unemployment Insurance benefits.

A second option available to employers is group self-insurance (probably better labelled mutual self-insurance) where a number of employers in a similar kind of business approach the Board. They affirm that they will insure their collective risk and assume payment of any default by any group member. Both the Board and the State Insurance Commission have the right to refuse this request and State Insurance companies have the same decision-making powers and judicial recourse as private insurance companies.

The only country that has a blanket disability compensation scheme is New Zealand. Workers' Compensation laws were repealed there and their current system is an injury compensation system which covers injury by accident on a 24 hour a day basis. The biggest difficulty with the system arises out of the definition of "accident". An accident is supposed to be an event of sudden onset which precipitates disablement, however, there needs to be a better defined term by which to adjudicate claims. Certain industrial diseases are also covered in New Zealand, but given the amount of information now available regarding disablement and the multiplicity of factors which may be the root cause of an "injury", this area will continue to require amendments. It is not realistic or possible to compare costs between New Zealand's system and the Canadian system because New Zealand started off

with an arbitrary rate structure. As a result, the system ended up being grossly underfunded and they were forced to move to a system of current cost coverage.

In the U.S., underfunding is also a significant problem. The insurance companies are underfunded because any rate increases have to be approved by the governor of the state and obviously, for political reasons, rate increase are not popular with the taxpayers. Therefore, insurance companies usually collect an increase between 20% and 50% of their request and continue to struggle to meet the rising costs of benefits.

A Review of the New Brunswick Workers' Compensation Board

Phase 11
Vol. 2
February, 1988

A report from

Woods Gordon
Management Consultants

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

DETAILED ANALYSIS

OF

ESTIMATED FINANCIAL

IMPACT

Woods Gordon

WORKERS' COMPENSATION BOARD OF THE PROVINCE OF NEW BRUNSWICK

DETAILED ANALYSIS OF ESTIMATED FINANCIAL IMPACT

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Woods Gordon

FINANCIAL IMPACT - DETAILED ANALYSIS

INTRODUCTION

Throughout the conduct of our study concerns were raised with respect to the "ever increasing" costs of Workers' Compensation. On the other hand, there were some unintended inequities which have also reared their heads and which needed to be dealt with. Because of the concerns expressed and the issue of credibility which was raised with respect to the costing projections of other studies, we have attempted to be as precise as possible in our forecasts and to err on the side of conservatism wherever some doubt exists.

To that end we have developed two computerized costing models.

These models report the financial impact of possible policy changes from two different points of view, the costs to WCB and the assessment contributions from the employers.

The cost of any policy change to WCB is measured by comparing the actual 1986 reported results to the expected 1986 results. The expected results are calculated under the assumption that the policy change was in effect for the entire 1986 calendar year.

The comparison of 1986 results is made with four different reports. These are:

- Statement of Income and Expenditure for WCB
- Statement of Income and Expenditure for Workers' Rehab. Centre (WRC)
- Summary of Administration for WCB
- Statement of Unfunded Liability for WCB

The Statement of Income and Expenditure for the Workers' Compensation Board compares the actual and proposed 1986 results and displays the changes between the two. This statement reports the income, claims

expenditures, administration expenses (brought forward from the Administration Expenditures statement), other expenditures and the net income received from WRC (brought forward from the Income and Expenditure Statement for WRC).

The Statement of Income and Expenditure for the Workers' Rehabilitation Centre details the sources of income, operating expenses and service department expenditures. This report also compares actual and proposed results. The net income from WRC is reported as income to WCB.

The Summary of Administration Expense compares the actual 1986 results to the expected results under a particular policy change for that same year. The total expense is reported on WCB's Income and Expenditure report.

The Summary of Unfunded Liability compares the actual amount of the liability to the liability amount under the proposed policy change. It shows the balances resulting from changes to benefits of the existing injured workers receiving compensation from WCB.

The financial impact of a proposed policy change on the employers is measured through a comparison of 1988 assessment rates. The gazetted 1988 rates for each of the 62 major employer groups is compared to the rates calculated for 1988 assuming the policy change under examination was in place.

This comparison is reported in the statement of "1988 Assessment Rates by Group". The report contains calculations of proposed 1988 rates using the same underlying formulae as produced the current gazetted assessment rates. (This includes the policy of introducing assessment changes in multiples of five cents per $100 of insurable wages.)

As will be noted, the computer models deal with the major benefit and policy matters. Other organizational and administration matters are dealt with individually.

While it can be seen that cost reductions of significance are indeed possible it is our strong recommendation that:

Recommendation

129. Cost reductions not be translated into rate reductions but rather be used to accelerate the paydown of the unfunded liability.

SUMMARY OF FINANCIAL IMPACT

The overall estimated impact of the recommendations contained in this report shows that there are potentially $10,505,000 available annually.

If the organizational and facilities costs (see Section 16) are deducted (on the basis of the claims renovations being written off over 3 years) the annual costs would amount to approximately $1,500,000, leaving a net savings of $9,000,000. Assuming the start level of $72,000,000 and the continued amortization figures used by the Board of approximately $4,500,000 per year, the unfunded liability could be written down in about 5.3 years (i.e., $72,000,000 - $13,500,000). This scenario also assumes no increases in assessment rates to employers, all other things remaining equal.

If, on the other hand, the projected savings were applied to Schedule I employers, there could be an average rate reduction of 11%.

Our suggested approach, however, is to apply the savings to draw down the unfunded liability before embarking on an assessment rate decrease.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF FINANCIAL IMPACT

(thousands of $)

	Status Quo	Claims Efficiency	Increased Benefits	Provincial Government	Medicare (25% Rate Change Limit)	Provincial Government and Medicare	WRC Regional'n (Bath., Monc. & Edmund. - 7 Days)	All Combined (25% Rate Change Limit)	All Combined (Draw down Unfunded Liability)
IMPACT on WCB (in 1986 $)									
Total Income (includes WRC)	$68,911	$68,911	$68,911	$71,699	$68,911	$71,323	$73,518	$75,891	$75,891
Total Direct Expenditures	62,914	62,914	63,389	65,395	57,828	59,933	61,882	59,337	$59,337
Total Administration Expenses and Grants	7,173	6,918	7,173	7,481	7,120	7,429	7,173	7,225	$7,225
Net Income	(1,175)	(921)	(1,650)	(1,177)	3,963	3,961	4,464	9,330	9,330
Increase (Decrease) from Status Quo		$255	($475)	($2)	$5,138	$5,137	$5,639	$10,505	$10,505
Increase (Decrease) in Unfunded Liability	5,796	5,796	11,334	20,796	5,796	20,796	5,796	26,334	26,334
IMPACT on Employers (in 1988 $)									
Average Assessment Rate for Existing Schedule I Employers (per $100 of Payroll)	$1.82	$1.81	$1.85	$1.83	$1.62	$1.64	$1.78	$1.62	$1.82
Increase (Decrease) from Status Quo		-0.5%	1.7%	0.5%	-10.8%	-9.8%	-2.2%	-10.9%	0.3%
Cost of Benefits	$51,082	$51,082	$51,739	$54,360	$44,256	$47,038	$49,720	$46,283	$46,283
Administrative Costs and Grants	8,289	7,994	8,289	8,645	8,228	8,584	8,289	8,349	$8,349
Unfunded Liability Amortization Provision	4,510	4,507	4,963	5,727	4,513	5,727	4,492	6,176	14,106
Total Assessment	$63,880	$63,582	$64,991	$68,732	$56,997	$61,349	$62,501	$60,807	$68,738
Increase (Decrease) from Status Quo		-0.5%	1.7%	7.6%	-10.8%	-4.0%	-2.2%	-4.8%	7.6%
Unfunded Liability (in 1988 $)									
Estimated Balance Jan. 1, 1988	51,700	51,700	57,238	66,700	51,700	66,700	51,700	72,238	72,238
Amortization Provision	4,510	4,507	4,963	5,727	4,513	5,727	4,492	6,176	14,106
Estimated Balance Dec. 31, 1988	$47,190	$47,193	$52,275	$60,973	$47,187	$60,973	$47,208	$66,062	$58,132
Unfunded Liability Amortization Period (years)	10.5	10.5	10.5	10.6	10.5	10.6	10.5	10.7	4.1
Payroll Base	$3,518,000	$3,518,000	$3,518,000	$4,283,600	$3,518,000	$4,283,600	$3,518,000	$4,283,600	$4,283,600

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF FINANCIAL IMPACT

(thousands of $)

	WRC Regional'n (Region 1 - 5 Days)	WRC Regional'n (Region 2 - 5 Days)	WRC Regional'n (Region 4 - 5 Days)	WRC Regional'n (Region 5 - 5 Days)	WRC Regional'n (All regions - 5 Days)	WRC Regional'n (Bath., Monc & Edmund. - 7 Days)	7 Day Operation (No Regional'n)
IMPACT on WCB (in 1986 $)							
Total Income (includes WRC)	$68,957	$68,925	$68,931	$68,937	$69,353	$73,518	$72,649
Total Direct Expenditures	62,620	62,741	62,731	62,759	61,966	$61,882	62,163
Total Administration Expenses and Grants	7,173	7,173	7,173	7,173	7,173	$7,173	7,173
Net Income	(836)	(989)	(972)	(994)	214	4,464	3,313
Increase (Decrease) from Status Quo	$339	$186	$203	$181	$1,389	$5,639	$4,489
Increase (Decrease) in Unfunded Liability	5,796	5,796	5,796	5,796	5,796	5,796	5,796
IMPACT on Employers (in 1988 $)							
Average Assessment Rate for Existing Schedule I Employers (per $100 of Payroll)	$1.81	$1.81	$1.81	$1.81	$1.78	$1.78	$1.79
Increase (Decrease) from Status Quo	-0.6%	-0.4%	-0.4%	-0.4%	-2.0%	-2.2%	-1.5%
Cost of Benefits	$50,695	$50,855	$50,840	$50,877	$49,829	$49,720	$50,097
Administrative Costs and Grants	8,289	8,289	8,289	8,289	8,289	$8,289	8,289
Unfunded Liability Amortization Provision	4,518	4,503	4,516	4,487	4,502	$4,492	4,520
Total Assessment	$63,502	$63,646	$63,645	$63,653	$62,620	$62,501	$62,906
Increase (Decrease) from Status Quo	-0.6%	-0.4%	-0.4%	-0.4%	-2.0%	-2.2%	-1.5%
Unfunded Liability (in 1988 $)							
Estimated Balance Jan. 1, 1988	51,700	51,700	51,700	51,700	51,700	51,700	51,700
Amortization Provision	4,518	4,503	4,516	4,487	4,502	4,492	4,520
Estimated Balance Dec. 31, 1988	$47,182	$47,197	$47,184	$47,213	$47,198	$47,208	$47,180
Unfunded Liability Amortization Period (years)	10.4	10.5	10.4	10.5	10.5	10.5	10.4
Payroll Base	$3,518,000	$3,518,000	$3,518,000	$3,518,000	$3,518,000	$3,518,000	$3,518,000

1986 Status Quo.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15350999	-1	-0.00%
Medical Aid	11186700	11186768	68	0.00%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44887489	189	0.00%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	70086789	189	0.00%
Excess (loss) of Income over Expenditure	-1702100	-1702289	-189	
Excess of Income over Expenditure - WRC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	-1175589	-189	

1986 Status Quo.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5695700	5695700	0	0.00%
Medicare Payments	0	0	0	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5705700	0	0.00%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

1986 Status Quo.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

1986 Status Quo.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.75	0.00	0%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.40	0.00	0%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.60	0.00	0%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.65	0.00	0%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.35	0.00	0%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.85	0.00	0%
343	Fish products	1.85	1.85	0.00	0%
344	Finance industries & service industries	0.35	0.35	0.00	0%

1986 Status Quo.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.60	0.00	0%
405	Sewer and water works constructions	6.20	6.20	0.00	0%
406	Machinery installation, etc.	3.55	3.55	0.00	0%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.20	0.00	0%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.95	0.00	0%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.65	0.00	0%
503	Stevedoring	5.60	5.60	0.00	0%
504	Express companies	2.35	2.35	0.00	0%
505	General trucking, etc.	4.15	4.15	0.00	0%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.45	0.00	0%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.35	0.00	0%

3. CLAIMS EFFICIENCY

The financial results here assume the following:

			Recommendation
(a)	Savings due to implementation of Project Wise - 2 less file clerks - 2 less claims clerks - 1 less data entry clerk	($87,000)	#79
(b)	Increased productivity due to the one hour extension - reduction of approximately 5 persons	($135,000)	#53
(c)	Merger of forms 6 and 8. Reduction potential of 2 persons	($40,000)	#92
(d)	Medicare to process 41,000 medical accounts and 30,000 hospital accounts (This would eliminate processing of 70,000 of the 250,000 forms now handled)	($53,000)	#32
(e)	Inclusion of Government - no increase since already handled by W.C.B.	0	
(f)	Increased investigators - 2 @ $30,000	$ 60,000	#82
	Net savings	$255,000	

Even if no reduction of people occurred due to increased productivity, the effect would be the equivalent of having added 5 person years to the department and still realize savings of $120,000

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15350999	-1	-0.00%
Medical Aid	11186700	11186768	68	0.00%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44887489	189	0.00%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5123900	-255000	-4.74%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69831789	-254811	-0.36%
Excess (loss) of Income over Expenditure	-1702100	-1447289	254811	
Excess of Income over Expenditure - WRC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	-920589	254811	

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5655700	0	0.00%
Medicare Payments	0	0	0	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5705700	0	0.00%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	431250	-33150	-7.14%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3319150	-221850	-6.27%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5728200	-255000	-4.26%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5125400	-255000	-4.74%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5123900	-255000	-4.74%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.65	-0.05	-2%
202	Sawmills, etc.	5.40	5.35	-0.05	-1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.55	-0.05	-2%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.85	-0.05	-3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.60	-0.05	-2%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.30	-0.05	-1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.80	-0.05	-1%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.55	-0.05	-1%
405	Sewer and water works constructions	6.20	6.10	-0.10	-2%
406	Machinery installation, etc.	3.55	3.50	-0.05	-1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.90	-0.05	-1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.60	-0.05	-1%
503	Stevedoring	5.60	5.55	-0.05	-1%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.10	-0.05	-1%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

4. BENEFIT CHANGES

The cost implications of the recommendations made in relation to this issue are as follows:

			Recommendation
1.	Increasing the death benefit to a maximum of $4,500 integrated with C.P.P. Based on the 1986 number of fatalities (i.e. 17) the increase would be	$ 50,772	#31
2.	Capping the C.P.P. benefit to surviving spouses at the level existing at the time of the fatality for post 1982 fatalities.	188,302	#30
3.	Prorating the C.P.P. offset to the W.C.B. level of disability deemed (e.g. 90%/90%) increase in unfunded liability	235,607	#19
	Estimated annual costs	474,799	
	Increase in unfunded liability	$5,538,000	

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15350999	-1	-0.00%
Medical Aid	11186700	11186768	68	0.00%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2615507	235607	9.90%
Fatal - awards	2509900	2698202	188302	7.50%
- burial	16900	67672	50772	300.43%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	45362099	474799	1.06%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	70561399	474799	0.68%
Excess (loss) of Income over Expenditure	-1702100	-2176899	-474799	
Excess of Income over Expenditure - WBC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	-1650199	-474799	

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5655700	0	0.00%
Medicare Payments	0	0	0	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
	5705700	5705700	0	0.00%
Total Income				
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

Benefit Changes

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Increased Benefits	0	5538000	5538000	
	58007400	63545400	5538000	9.55%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	62599500	5538000	9.71%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.75	0.05	2%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.80	0.05	2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.75	0.05	2%
202	Sawmills, etc.	5.40	5.50	0.10	2%
203	Pulpmills, etc.	2.15	2.20	0.05	2%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.65	0.05	2%
302	Planing mills, etc.	2.60	2.65	0.05	2%
303	Brush manufacturing	1.40	1.45	0.05	4%
304	Manufacture of stoves, furnaces, etc.	2.60	2.65	0.05	2%
305	Foundaries	3.25	3.30	0.05	2%
306	Service stations, etc.	1.40	1.45	0.05	4%
309	Food processing, etc.	3.25	3.35	0.10	3%
310	Metal products, etc.	1.40	1.45	0.05	4%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.95	0.05	3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.70	0.05	2%
317	Breweries	1.40	1.45	0.05	4%
318	Flour, fertilizer, feed mills, etc.	1.80	1.85	0.05	3%
320	Dairy products, etc	1.20	1.25	0.05	4%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.95	0.05	6%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.35	0.05	2%
331	Hospitals and health care institutions	1.90	1.95	0.05	3%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.20	0.05	2%
335	Municipal police, firemen, etc.	1.95	2.00	0.05	3%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.50	0.15	2%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.95	0.10	3%
343	Fish products	1.85	1.85	0.00	0%
344	Finance industries & service industries	0.35	0.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.70	0.10	3%
405	Sewer and water works constructions	6.20	6.30	0.10	2%
406	Machinery installation, etc.	3.55	3.60	0.05	1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.65	0.10	3%
410	Road maintenance, etc.	2.20	2.20	0.00	0%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	6.10	0.15	3%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.70	0.05	1%
503	Stevedoring	5.60	5.70	0.10	2%
504	Express companies	2.35	2.40	0.05	2%
505	General trucking, etc.	4.15	4.30	0.15	4%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.45	0.00	0%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.35	0.00	0%

Woods Gordon

5. GOVERNMENT INCLUSION AS AN EMPLOYER

In assessing Government payrolls to cover the cost of payments and administration, it can be seen that an additional $2.8 million must be raised but it would be self-financing.

The larger issue is that when the Government is included it will bring an unfunded liability of some significance with it. Until now apparently no quantification had been made with respect to this amount.

It totals $15,000,000

However, when added to the total existing liability of the Board and based on its 20 year amortization policy, the net increase is less than 1% across the Board to all employers due to the increase in payroll over which it is spread.

		Recommendation
Increase in unfunded liability	$15,000,000	#33

Provincial Government
Inclusion as Employer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	2788046	2788046	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	71172546	2788046	4.08%
Expenditure:				
Claims:				
Loss of Earnings	15351000	16366393	1015393	6.61%
Medical Aid	11386700	12040088	853388	7.63%
Rehabilitation	2576100	2617160	41060	1.59%
Permanent Partial Disability	1809300	1996311	187011	10.34%
Permanent Total Disability	221800	278784	56984	25.69%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2830443	320543	12.77%
- burial	16900	17941	1041	6.16%
8% to Pension	118500	124341	5841	4.93%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	47368635	2481335	5.53%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5687300	308400	5.73%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	72876335	2789735	3.98%
Excess (loss) of Income over Expenditure	-1702100	-1703789	-1689	
Excess of Income over Expenditure - URC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	-1177089	-1689	

Provincial Government
Inclusion as Employer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5655700	0	0.00%
Medicare Payments	0	0	0	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5705700	0	0.00%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

Provincial Government
Inclusion as Employer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
eaning and Maintenance	33600	33600	0	0.00%
ta Processing	15100	15100	0	0.00%
preciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
ployee Benefits	464400	464400	0	0.00%
neral	114600	114600	0	0.00%
surance	27900	27900	0	0.00%
ght and Heat	60400	60400	0	0.00%
fice Equipment	6300	6300	0	0.00%
licy and Research Committee	8200	8200	0	0.00%
stage	113100	113100	0	0.00%
inting and Supplies	125600	125600	0	0.00%
ofessional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
ntal: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
laries	3541000	3541000	0	0.00%
es	77300	77300	0	0.00%
ephone	233900	233900	0	0.00%
avelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
rkers' Advocates	188700	188700	0	0.00%
rkers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
s: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	0	-306900	-100.00%
-Total Other Charges	602800	295900	-306900	-50.91%
	5380400	5687300	306900	5.70%
s: Revenue from Rentals	1500	1500	0	0.00%
al Expense	5378900	5685800	306900	5.71%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Provincial Government
Inclusion as Employer

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	15000000	15000000	
Survivors' Benefits	0	0	0	
	58007400	73007400	15000000	25.86%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	72061500	15000000	26.29%

Provincial Government
Inclusion as Employer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.95	0.95	0%
55	Department of Education	0.00	0.25	0.25	0%
60	New Brunswick Government	0.00	0.95	0.95	0%
65	Silicosis Fund	0.00	0.60	0.60	0%
70	CN Railway	0.00	0.60	0.60	0%
75	Government of Canada	0.00	0.60	0.60	0%
80	CN Ferry and Marine	0.00	0.60	0.60	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.75	0.00	0%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.45	0.05	1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.60	0.00	0%
302	Planing mills, etc.	2.60	2.65	0.05	2%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.65	0.05	2%
305	Foundaries	3.25	3.30	0.05	2%
306	Service stations, etc.	1.40	1.45	0.05	4%
309	Food processing, etc.	3.25	3.30	0.05	2%
310	Metal products, etc.	1.40	1.45	0.05	4%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.65	0.00	0%
317	Breweries	1.40	1.45	0.05	4%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.25	0.05	4%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.95	0.05	6%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.35	0.05	2%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, firemen, etc.	1.95	2.00	0.05	3%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.40	0.05	1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.85	0.00	0%
343	Fish products	1.85	1.85	0.00	0%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Provincial Government
Inclusion as Employer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.60	0.00	0%
405	Sewer and water works constructions	6.20	6.20	0.00	0%
406	Machinery installation, etc.	3.55	3.55	0.00	0%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.60	0.05	1%
410	Road maintenance, etc.	2.20	2.20	0.00	0%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	6.00	0.05	1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.65	0.00	0%
503	Stevedoring	5.60	5.65	0.05	1%
504	Express companies	2.35	2.35	0.00	0%
505	General trucking, etc.	4.15	4.20	0.05	1%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.45	0.00	0%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.35	0.00	0%

Woods Gordon

6. MEDICARE COVERS MEDICAL COSTS

		Recommendation
In transferring medical aid, drug and hospital costs to the provincial health care system, excluding the Rehabilitation Centre costs, annual savings would be generated of	$5,085,849	
In addition administrative savings would amount to	52,500	
Total cost reduction	$5,138,349	#32

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15350999	-1	-0.00%
Medical Aid	11186700	6100730	-5085970	-45.46%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	39801451	-5085849	-11.33%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5326400	-52500	-0.98%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	64948251	-5138349	-7.33%
Excess (loss) of Income over Expenditure	-1702100	3436249	5138349	
Excess of Income over Expenditure - WRC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	3962949	5138349	

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5655700	0	0.00%
Medicare Payments	0	0	0	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5705700	0	0.00%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	458400	-6000	-1.29%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3494500	-46500	-1.31%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5930.00	-52500	-0.88%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5327900	-52500	-0.98%
Lead: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5326400	-52500	-0.98%

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.45	-0.25	-9%
105	Potash mining	2.20	2.40	0.20	9%
106	Quarrying stone, etc.	2.75	2.40	-0.35	-13%
110	Engineering services, etc.	0.40	0.35	-0.05	-12%
111	Peat moss mining	2.70	2.35	-0.35	-13%
202	Sawmills, etc.	5.40	4.75	-0.65	-12%
203	Pulpmills, etc.	2.15	1.90	-0.25	-12%
204	Logging, logging - tree harvesters	6.15	5.75	-0.40	-7%
301	Manufacture of wooden articles, etc.	2.60	2.25	-0.35	-13%
302	Planing mills, etc.	2.60	2.25	-0.35	-13%
303	Brush manufacturing	1.40	1.20	-0.20	-14%
304	Manufacture of stoves, furnaces, etc.	2.60	2.25	-0.35	-13%
305	Foundaries	3.25	2.85	-0.40	-12%
306	Service stations, etc.	1.40	1.25	-0.15	-11%
309	Food processing, etc.	3.25	2.85	-0.40	-12%
310	Metal products, etc.	1.40	1.25	-0.15	-11%
311	Plastic products, etc.	1.50	1.30	-0.20	-13%
312	Bakeries	1.90	1.65	-0.25	-13%
313	Oil refineries	1.15	1.05	-0.10	-9%
315	Textiles	2.65	2.30	-0.35	-13%
317	Breweries	1.40	1.20	-0.20	-14%
318	Flour, fertilizer, feed mills, etc.	1.80	1.55	-0.25	-14%
320	Dairy products, etc	1.20	1.05	-0.15	-12%
321	Tea packing, spice mills, etc.	2.00	1.75	-0.25	-13%
324	Shoes, leather products, etc.	0.60	0.50	-0.10	-17%
325	Radio, television stations, etc.	0.40	0.35	-0.05	-12%
326	Clothing manufacture, etc.	1.00	0.90	-0.10	-10%
327	Laundries, etc.	1.15	1.00	-0.15	-13%
328	Hospitality, etc.	0.90	0.75	-0.15	-17%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.10	-0.20	-9%
331	Hospitals and health care institutions	1.90	1.65	-0.25	-13%
332	Wholesale and retail trade, etc.	0.55	0.45	-0.10	-18%
334	Farming, etc.	2.15	1.90	-0.25	-12%
335	Municipal police, fireman, etc.	1.95	1.80	-0.15	-8%
338	Warehousing, etc.	1.20	1.00	-0.20	-17%
340	Steel fabrication, etc.	6.35	5.80	-0.55	-9%
341	Cement products, brick, etc.	1.40	1.20	-0.20	-14%
342	Ready mix cement, etc.	3.85	3.50	-0.35	-9%
343	Fish products	1.85	1.55	-0.30	-16%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.35	-0.30	-11%
403	Building construction	3.60	3.25	-0.35	-10%
405	Sewer and water works constructions	6.20	5.65	-0.55	-9%
406	Machinery installation, etc.	3.55	3.25	-0.30	-8%
407	Bridge construction	4.85	4.25	-0.60	-12%
408	Power construction, etc.	0.90	0.75	-0.15	-17%
409	Road construction, etc.	3.55	3.20	-0.35	-10%
410	Road maintenance, etc.	2.20	1.95	-0.25	-11%
411	Telephone construction	0.40	0.30	-0.10	-25%
412	Wharf construction, etc.	5.95	5.40	-0.55	-9%
416	Drydocks, etc.	8.05	7.10	-0.95	-12%
502	Fishing	3.65	3.30	-0.35	-10%
503	Stevedoring	5.60	5.00	-0.60	-11%
504	Express companies	2.35	2.10	-0.25	-11%
505	General trucking, etc.	4.15	3.85	-0.30	-7%
506	Marine transportation	2.60	2.55	-0.05	-2%
507	Bus transportation and taxi services	0.90	0.75	-0.15	-17%
508	Railway operations	1.45	1.25	-0.20	-14%
509	Air transportation	0.55	0.45	-0.10	-18%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.15	-0.20	-15%

Woods Gordon

7. WORKERS' REHABILITATION CENTRE

Two major thrusts have been considered here:

1. Regionalization of Physiotherapy services into private clinics, and
2. Operating the Rehabilitation Centre on a seven day a week basis.

Each of the various options and the effects are shown on the coloured simulations which follow. The top chart shows the totals at year end under various assumptions while the bottom graph shows the effect that the assumptions have on the wait time.

The key issues addressed by the simulation are:

(a) total time (in patient days) in wait queue
(b) average wait time (in days) by region
(c) number of beds occupied - %
(d) total patients vs. capacity - %

Based on these simulations our recommendation is to regionalize physiotherapy services in Bathurst, Moncton and Edmundston while placing the Rehabilitation Centre on a 7-day per week operating basis (i.e., Option #18 of the WRC Simulation Results on the following page).

This recommendation and costing assumes adding 40% more staff at the Centre and selling "spare" space and services to the Health system. It reduces waiting time for injured workers, increases recovery speed and reduces travel time and costs.

		Recommendation
The estimated total potential savings annually are:	$5,639,000	#105-109

It should be noted that it will take 10-15 weeks to clear the waiting lists and take full advantage of the system.

WRC SIMULATION RESULTS

Option	Description	Total Referrals And Admissions During Year (A)	Total WRC Admissions During Year (B)	Size Of Wait Queue At Year End (C)	Maximum Patient Days (D)	Total Treatment Days (E)	Capacity Utilization (F)=(E)/(D)	Treatment Days Available For Medicare (G)=(D)-(E)	Total Days Waiting For Treatment (H)	Reduced Total Waiting Days From Base (I)	Percent Reduction Over Base (J)	Treatment Days Transferred To Region (K)
Base	Current Situation (A)	2,242	2,106	136	35,750	35,606	99.60%	144	29,327	N/A	N/A	0
#1	Base Option With 7 Days Operation (B)	2,242	2,242	0	52,195	38,099	74.91%	13,096	5,278	24,048	82.00%	0
#2	Province Wide Regionalization With 5 Day Operation (C)	2,150	2,137	13	35,750	33,658	94.15%	2,092	7,785	21,542	73.45%	4,754
#3	Province Wide Regionalization With 7 Day Operation (D)	2,150	2,150	0	52,195	34,114	65.36%	18,081	3,852	25,375	86.52%	4,754
#4	Region #1 Regionalization With 5 Day Operation (E)	2,206	2,143	63	35,750	35,402	99.03%	348	20,182	9,145	31.18%	1,946
#5	Region #2 Regionalization With 5 Day Operation (F)	2,223	2,127	96	35,750	35,542	99.42%	208	24,131	5,196	17.72%	1,033
#6	Region #4 Regionalization With 5 Day Operation (G)	2,228	2,126	102	35,750	35,513	99.34%	237	24,176	5,151	17.56%	860
#7	Region #5 Regionalization With 5 Day Operation (H)	2,223	2,116	107	35,750	35,489	99.27%	261	24,912	4,415	15.05%	764
#8	Region #1 & #2 Regionalization With 5 Day Operation (I)	2,187	2,157	30	35,750	35,312	98.78%	438	14,702	14,625	49.87%	2,979
#9	Region #1 & #4 Regionalization With 5 Day Operation (J)	2,192	2,164	28	35,750	35,363	98.92%	387	15,275	14,052	47.91%	2,606
#10	Region #1 & #5 Regionalization With 5 Day Operation (K)	2,187	2,148	39	35,750	35,302	98.75%	448	15,957	13,370	45.59%	2,711
#11	Region #2 & #4 Regionalization With 5 Day Operation (L)	2,209	2,157	52	35,750	35,531	99.38%	219	18,592	10,735	36.60%	1,893
#12	Region #2 & #5 Regionalization With 5 Day Operation (M)	2,204	2,145	59	35,750	35,413	99.06%	337	19,550	9,777	33.34%	1,797
#13	Region #4 & #5 Regionalization With 5 Day Operation (N)	2,209	2,146	63	35,750	35,410	99.05%	340	19,950	9,377	31.97%	1,624
#14	Region #1 Regionalization With 7 Day Operation (O)	2,206	2,206	0	52,195	37,153	73.21%	13,985	4,661	24,666	84.11%	1,946
#15	Region #2 Regionalization With 7 Day Operation (P)	2,223	2,223	0	52,195	38,033	72.87%	14,162	4,910	24,417	83.26%	1,033
#16	Region #4 Regionalization With 7 Day Operation (Q)	2,228	2,228	0	52,195	38,077	72.95%	14,118	5,006	24,321	82.93%	860
#17	Region #5 Regionalization With 7 Day Operation (R)	2,223	2,223	0	52,195	38,210	73.21%	13,985	5,154	24,173	82.42%	764
#18	Region #1,#2 & #5 Regionalization With 7 Day Operation (S)	2,223	2,223	0	52,195	35,269	67.57%	16,926	4,228	25,098	85.58%	3,743

Note

1) At beginning of year WRC started with 143 patients in the treatment center and 130 Patients in the queue waiting to get into the center

2) WRC Daily Patient Capacity 143

3) WRC Patient Intialization 273

4) Region #1 = Bathurst
Region #2 = Moncton
Region #3 = Saint John
Region #4 = Fredericton
Region #5 = Edmundston
Region #6 = Out Of Province

EDITORS NOTATION:

The original documentation with respect to the costing modules for revisions to the operating schedule of the Workers' Rehabilitation Centre included colour slides of the costing scenarios. As these are cost prohibitive to reproduce and their omission does not detract from the information content, they are being omitted.

Bathurst, Edmundston,
and Moncton Regionalized
W.R.C 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	14083882	-1267118	-8.25%
Medical Aid	11186700	11421704	235004	2.10%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	43855308	-1031992	-2.30%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69054608	-1031992	-1.47%
Excess (loss) of Income over Expenditure	-1702100	-670108	1031992	
Excess of Income over Expenditure - WRC	526700	5133700	4607000	
Total Excess (Loss) of Income over Expenditure	-1175400	4463592	5638992	

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Bathurst, Edmundston,
and Moncton Regionalized
W.R.C. 7 Day Operation

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5601780	-53920	-0.95%
Medicare Payments	0	6494000	6494000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	12145780	6440080	112.87%
Operating Expenditure				
Patient Services:				
Medical	345000	483000	138000	40.00%
Nursing	297900	417060	119160	40.00%
Occupational Therapy	449000	628600	179600	40.00%
Pain Unit	146900	205660	58760	40.00%
Physiotherapy	608200	851480	243280	40.00%
Prosthetics	204700	286580	81880	40.00%
Psychology	245800	344120	98320	40.00%
Sub-Total Patient Services	2297500	3216500	919000	40.00%
General Service Departments				
Administration	579300	811020	231720	40.00%
Dietary	324300	454020	129720	40.00%
Food	120600	168840	48240	40.00%
Housekeeping	295100	413140	118040	40.00%
Laundry and Linen	73700	103180	29480	40.00%
Medical Records	147900	207060	59160	40.00%
Plant Maintenance	637700	892780	255080	40.00%
Security	74000	103600	29600	40.00%
Transportation	32600	45640	13040	40.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	3795580	914080	31.72%
Total Expenditure	5179000	7012080	1833080	35.39%
Excess of Income over Expenditure	526700	5133700	4607000	874.69%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Bathurst, Edmundston,
and Moncton Regionalized
W.R.C. 7 Day Operation

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Bathurst, Edmondston,
and Moncton Regionalized
W.R.C. 7 Day Operation

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Increased Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Bathurst, Edmundston,
and Moncton Regionalized
W.R.C. 7 Day Operation

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.60	-0.10	-4%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.65	-0.10	-4%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.60	-0.10	-4%
202	Sawmills, etc.	5.40	5.25	-0.15	-3%
203	Pulpmills, etc.	2.15	2.10	-0.05	-2%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.50	-0.10	-4%
302	Planing mills, etc.	2.60	2.55	-0.05	-2%
303	Brush manufacturing	1.40	1.35	-0.05	-4%
304	Manufacture of stoves, furnaces, etc.	2.60	2.55	-0.05	-2%
305	Foundaries	3.25	3.20	-0.05	-2%
306	Service stations, etc.	1.40	1.35	-0.05	-4%
309	Food processing, etc.	3.25	3.15	-0.10	-3%
310	Metal products, etc.	1.40	1.35	-0.05	-4%
311	Plastic products, etc.	1.50	1.45	-0.05	-3%
312	Bakeries	1.90	1.85	-0.05	-3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.55	-0.10	-4%
317	Breweries	1.40	1.35	-0.05	-4%
318	Flour, fertilizer, feed mills, etc.	1.80	1.75	-0.05	-3%
320	Dairy products, etc	1.20	1.15	-0.05	-4%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.10	-0.05	-4%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.25	-0.05	-2%
331	Hospitals and health care institutions	1.90	1.85	-0.05	-3%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.10	-0.05	-2%
335	Municipal police, fireman, etc.	1.95	1.90	-0.05	-3%
338	Warehousing, etc.	1.20	1.15	-0.05	-4%
340	Steel fabrication, etc.	6.35	6.20	-0.15	-2%
341	Cement products, brick, etc.	1.40	1.35	-0.05	-4%
342	Ready mix cement, etc.	3.85	3.75	-0.10	-3%
343	Fish products	1.85	1.75	-0.10	-5%
344	Finance industries & service industries	0.35	0.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Bathurst, Edmundston,
and Moncton Regionalized
W.R.C. 7 Day Operation

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.50	-0.10	-3%
405	Sewer and water works constructions	6.20	6.00	-0.20	-3%
406	Machinery installation, etc.	3.55	3.40	-0.15	-4%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.85	-0.05	-6%
409	Road construction, etc.	3.55	3.45	-0.10	-3%
410	Road maintenance, etc.	2.20	2.10	-0.10	-5%
411	Telephone construction	0.40	0.35	-0.05	-12%
412	Wharf construction, etc.	5.95	5.80	-0.15	-3%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.50	-0.15	-4%
503	Stevedoring	5.60	5.45	-0.15	-3%
504	Express companies	2.35	2.25	-0.10	-4%
505	General trucking, etc.	4.15	4.05	-0.10	-2%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.85	-0.05	-6%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

8. COMBINED EFFECTS

The runs in table 8 indicate that the combined effects of these recommendations in the model would produce an estimated annual savings of $10,505,419

However with the inclusion of the Provincial Government as an employer and the assumption of its unfunded liability combined with the increase due to benefit changes recommended, the unfunded liability would increase by $20,538,000

8a shows the effects on the rate structure if the savings were to be applied to reduce employer assessments.

8b shows the effects on the rate structure if the savings are used to expedite a reduction in the unfunded liability.

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	2373158	2373158	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	70757658	2373158	3.47%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15015462	-335538	-2.19%
Medical Aid	11186700	6830807	-4355893	-38.94%
Rehabilitation	2576100	2617160	41060	1.59%
Permanent Partial Disability	1809300	1996311	187011	10.34%
Permanent Total Disability	221800	278784	56984	25.69%
Extended Earnings Loss	2379900	2615507	235607	9.90%
Fatal - awards	2509900	3042726	532826	21.23%
- burial	16900	71764	54864	324.64%
8% to Pension	118500	124341	5841	4.93%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	41310139	-3577161	-7.97%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5430800	51900	0.96%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	66561339	-3525261	-5.03%
Excess (loss) of Income over Expenditure	-1702100	4196319	5898419	
Excess of Income over Expenditure - WRC	526700	5133700	4607000	
Total Excess (Loss) of Income over Expenditure	-1175400	9330019	10505419	

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5601780	-53920	-0.95%
Medicare Payments	0	6494000	6494000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	12145780	6440080	112.87%
Operating Expenditure				
Patient Services:				
Medical	345000	483000	138000	40.00%
Nursing	297900	417060	119160	40.00%
Occupational Therapy	449000	628600	179600	40.00%
Pain Unit	146900	205660	58760	40.00%
Physiotherapy	608200	851480	243280	40.00%
Prosthetics	204700	286580	81880	40.00%
Psychology	245800	344120	98320	40.00%
Sub-Total Patient Services	2297500	3216500	919000	40.00%
General Service Departments				
Administration	579300	811020	231720	40.00%
Dietary	324300	454020	129720	40.00%
Food	120600	168840	48240	40.00%
Housekeeping	295100	413140	118040	40.00%
Laundry and Linen	73700	103180	29480	40.00%
Medical Records	147900	207060	59160	40.00%
Plant Maintenance	637700	892780	255080	40.00%
Security	74000	103600	29600	40.00%
Transportation	32600	45640	13040	40.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	3795580	914080	31.72%
Total Expenditure	5179000	7012080	1833080	35.39%
Excess of Income over Expenditure	526700	5133700	4607000	874.69%

Combined Effects

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	431250	-33150	-7.14%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3319150	-221850	-6.27%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5728200	-255000	-4.26%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	0	-306900	-100.00%
Sub-Total Other Charges	602800	295900	-306900	-50.91%
	5380400	5432300	51900	0.96%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5430800	51900	0.96%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Combined Effects

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	15000000	15000000	
Increased Benefits	0	5538000	5538000	
	58007400	78545400	20538000	35.41%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	77599500	20538000	35.99%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.75	0.75	0%
55	Department of Education	0.00	0.20	0.20	0%
60	New Brunswick Government	0.00	0.85	0.85	0%
65	Silicosis Fund	0.00	0.55	0.55	0%
70	CN Railway	0.00	0.55	0.55	0%
75	Government of Canada	0.00	0.55	0.55	0%
80	CN Ferry and Marine	0.00	0.55	0.55	0%
104	Metal mining and coal mining strip	2.70	2.45	-0.25	-9%
105	Potash mining	2.20	2.40	0.20	9%
106	Quarrying stone, etc.	2.75	2.45	-0.30	-11%
110	Engineering services, etc.	0.40	0.35	-0.05	-12%
111	Peat moss mining	2.70	2.35	-0.35	-13%
202	Sawmills, etc.	5.40	4.70	-0.70	-13%
203	Pulpmills, etc.	2.15	1.90	-0.25	-12%
204	Logging, logging - tree harvesters	6.15	5.80	-0.35	-6%
301	Manufacture of wooden articles, etc.	2.60	2.25	-0.35	-13%
302	Planing mills, etc.	2.60	2.20	-0.40	-15%
303	Brush manufacturing	1.40	1.20	-0.20	-14%
304	Manufacture of stoves, furnaces, etc.	2.60	2.25	-0.35	-13%
305	Foundaries	3.25	2.85	-0.40	-12%
306	Service stations, etc.	1.40	1.20	-0.20	-14%
309	Food processing, etc.	3.25	2.85	-0.40	-12%
310	Metal products, etc.	1.40	1.20	-0.20	-14%
311	Plastic products, etc.	1.50	1.25	-0.25	-17%
312	Bakeries	1.90	1.65	-0.25	-13%
313	Oil refineries	1.15	1.05	-0.10	-9%
315	Textiles	2.65	2.30	-0.35	-13%
317	Breweries	1.40	1.20	-0.20	-14%
318	Flour, fertilizer, feed mills, etc.	1.80	1.55	-0.25	-14%
320	Dairy products, etc	1.20	1.00	-0.20	-17%
321	Tea packing, spice mills, etc.	2.00	1.75	-0.25	-13%
324	Shoes, leather products, etc.	0.60	0.50	-0.10	-17%
325	Radio, television stations, etc.	0.40	0.35	-0.05	-12%
326	Clothing manufacture, etc.	1.00	0.90	-0.10	-10%
327	Laundries, etc.	1.15	0.95	-0.20	-17%
328	Hospitality, etc.	0.90	0.70	-0.20	-22%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.10	-0.20	-9%
331	Hospitals and health care institutions	1.90	1.65	-0.25	-13%
332	Wholesale and retail trade, etc.	0.55	0.45	-0.10	-18%
334	Farming, etc.	2.15	1.90	-0.25	-12%
335	Municipal police, fireman, etc.	1.95	1.80	-0.15	-8%
338	Warehousing, etc.	1.20	1.00	-0.20	-17%
340	Steel fabrication, etc.	6.35	5.90	-0.45	-7%
341	Cement products, brick, etc.	1.40	1.20	-0.20	-14%
342	Ready mix cement, etc.	3.85	3.55	-0.30	-8%
343	Fish products	1.85	1.50	-0.35	-19%
344	Finance industries & service industries	0.35	0.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.35	-0.30	-11%
403	Building construction	3.60	3.25	-0.35	-10%
405	Sewer and water works constructions	6.20	5.70	-0.50	-8%
406	Machinery installation, etc.	3.55	3.30	-0.25	-7%
407	Bridge construction	4.85	4.25	-0.60	-12%
408	Power construction, etc.	0.90	0.75	-0.15	-17%
409	Road construction, etc.	3.55	3.25	-0.30	-8%
410	Road maintenance, etc.	2.20	1.90	-0.30	-14%
411	Telephone construction	0.40	0.30	-0.10	-25%
412	Wharf construction, etc.	5.95	5.45	-0.50	-8%
416	Drydocks, etc.	8.05	7.10	-0.95	-12%
502	Fishing	3.65	3.30	-0.35	-10%
503	Stevedoring	5.60	4.95	-0.65	-12%
504	Express companies	2.35	2.10	-0.25	-11%
505	General trucking, etc.	4.15	3.95	-0.20	-5%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.70	-0.20	-22%
508	Railway operations	1.45	1.20	-0.25	-17%
509	Air transportation	0.55	0.45	-0.10	-18%
511	Garbage services, etc.	3.95	4.05	0.10	3%
512	Fuel services, etc.	1.35	1.15	-0.20	-15%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.85	0.85	0%
55	Department of Education	0.00	0.25	0.25	0%
60	New Brunswick Government	0.00	1.00	1.00	0%
65	Silicosis Fund	0.00	0.60	0.60	0%
70	CN Railway	0.00	0.60	0.60	0%
75	Government of Canada	0.00	0.60	0.60	0%
80	CN Ferry and Marine	0.00	0.60	0.60	0%
104	Metal mining and coal mining strip	2.70	2.75	0.05	2%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.80	0.05	2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.40	0.00	0%
203	Pulpmills, etc.	2.15	2.20	0.05	2%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.55	-0.05	-2%
302	Planing mills, etc.	2.60	2.55	-0.05	-2%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.20	-0.05	-2%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.45	-0.05	-3%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.65	0.00	0%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.15	-0.05	-4%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.10	-0.05	-4%
328	Hospitality, etc.	0.90	0.85	-0.05	-6%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.40	0.10	4%
331	Hospitals and health care institutions	1.90	1.85	-0.05	-3%
332	Wholesale and retail trade, etc.	0.55	0.50	-0.05	-9%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	2.10	0.15	8%
338	Warehousing, etc.	1.20	1.15	-0.05	-4%
340	Steel fabrication, etc.	6.35	6.80	0.45	7%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	4.05	0.20	5%
343	Fish products	1.85	1.75	-0.10	-5%
344	Finance industries & service industries	0.35	0.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.75	0.15	4%
405	Sewer and water works constructions	6.20	6.50	0.30	5%
406	Machinery installation, etc.	3.55	3.75	0.20	6%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.85	-0.05	-6%
409	Road construction, etc.	3.55	3.70	0.15	4%
410	Road maintenance, etc.	2.20	2.20	0.00	0%
411	Telephone construction	0.40	0.35	-0.05	-12%
412	Wharf construction, etc.	5.95	6.25	0.30	5%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.80	0.15	4%
503	Stevedoring	5.60	5.70	0.10	2%
504	Express companies	2.35	2.40	0.05	2%
505	General trucking, etc.	4.15	4.55	0.40	10%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.80	-0.10	-11%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.50	-0.05	-9%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.35	0.00	0%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Region 1 only Regionalized
W.R.C. 5 day Operation

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	14910504	-440496	-2.87%
Medical Aid	11186700	11333012	146312	1.31%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44593237	-294063	-0.66%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69792537	-294063	-0.42%
Excess (Loss) of Income over Expenditure	-1702100	-1408037	294063	
Excess of Income over Expenditure - WRC	526700	572060	45360	
Total Excess (Loss) of Income over Expenditure	-1175400	-835977	339423	

Region 1 only Regionalized
W.R.C. 5 day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5623060	-32640	-0.58%
Medicare Payments	0	78000	78000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5751060	45360	0.79%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	572060	45360	8.61%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Region 1 only Regionalized
W.R.C. 5 day Operation

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit, Actuarial, Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

Region 1 only Regionalized
W.R.C. 5 day Operation

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

Region 1 only Regionalized
W.R.C. 5 day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.65	-0.05	-2%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.65	-0.05	-2%
202	Sawmills, etc.	5.40	5.35	-0.05	-1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.55	-0.05	-2%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.85	-0.05	-3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.60	-0.05	-2%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.10	-0.05	-2%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.15	-0.05	-4%
340	Steel fabrication, etc.	6.35	6.30	-0.05	-1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.80	-0.05	-1%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Region 1 only Regionalized
W.R.C. 5 day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.55	-0.05	-1%
405	Sewer and water works constructions	6.20	6.10	-0.10	-2%
406	Machinery installation, etc.	3.55	3.50	-0.05	-1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.90	-0.05	-1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.60	-0.05	-1%
503	Stevedoring	5.60	5.55	-0.05	-1%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.10	-0.05	-1%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.85	-0.05	-6%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5645460	-10240	-0.18%
Medicare Payments	0	24000	24000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5719460	13760	0.24%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	540460	13760	2.61%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.35	-0.05	-1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.60	0.00	0%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.65	0.00	0%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.30	-0.05	-1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.80	-0.05	-1%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.55	-0.05	-1%
405	Sewer and water works constructions	6.20	6.15	-0.05	-1%
406	Machinery installation, etc.	3.55	3.50	-0.05	-1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.90	-0.05	-1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.60	-0.05	-1%
503	Stevedoring	5.60	5.55	-0.05	-1%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.15	0.00	0%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

Region 2 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15100719	-250281	-1.63%
Medical Aid	11186700	11264384	77684	0.69%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44714825	-172475	-0.38%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69914125	-172475	-0.25%
Excess (loss) of Income over Expenditure	-1702100	-1529625	172475	
Excess of Income over Expenditure - WRC	526700	540460	13760	
Total Excess (Loss) of Income over Expenditure	-1175400	-989165	186235	

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15102886	-248114	-1.62%
Medical Aid	11186700	11251386	64686	0.58%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44703994	-183306	-0.41%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69903294	-183306	-0.26%
Excess (loss) of Income over Expenditure	-1702100	-1518794	183306	
Excess of Income over Expenditure - WRC	526700	546820	20120	
Total Excess (Loss) of Income over Expenditure	-1175400	-971974	203426	

Excess of Income over Expenditure	526700	546820	20120	3.82%

Region 4 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

Region 4 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.35	-0.05	-1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.60	0.00	0%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.60	-0.05	-2%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.30	-0.05	-1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.80	-0.05	-1%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Region 4 Regionalized
W.R.C. 5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.55	-0.05	-1%
405	Sewer and water works constructions	6.20	6.15	-0.05	-1%
406	Machinery installation, etc.	3.55	3.50	-0.05	-1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.90	-0.05	-1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.60	-0.05	-1%
503	Stevedoring	5.60	5.55	-0.05	-1%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.15	0.00	0%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	15138338	-212662	-1.39%
Medical Aid	11186700	11244172	57472	0.51%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44732232	-155068	-0.35%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69931532	-155068	-0.22%
Excess (loss) of Income over Expenditure	-1702100	-1547032	155068	
Excess of Income over Expenditure - WRC	526700	552980	26280	
Total Excess (Loss) of Income over Expenditure	-1175400	-994052	181348	

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5636980	-18720	-0.33%
Medicare Payments	0	45000	45000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5731980	26280	0.46%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	552980	26280	4.99%

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.70	0.00	0%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.70	0.00	0%
202	Sawmills, etc.	5.40	5.35	-0.05	-1%
203	Pulpmills, etc.	2.15	2.15	0.00	0%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.60	0.00	0%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.40	0.00	0%
304	Manufacture of stoves, furnaces, etc.	2.60	2.60	0.00	0%
305	Foundaries	3.25	3.25	0.00	0%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.25	0.00	0%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.50	0.00	0%
312	Bakeries	1.90	1.90	0.00	0%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.65	0.00	0%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.80	0.00	0%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.15	0.00	0%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.30	0.00	0%
331	Hospitals and health care institutions	1.90	1.90	0.00	0%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.15	0.00	0%
335	Municipal police, fireman, etc.	1.95	1.95	0.00	0%
338	Warehousing, etc.	1.20	1.20	0.00	0%
340	Steel fabrication, etc.	6.35	6.30	-0.05	-1%
341	Cement products, brick, etc.	1.40	1.40	0.00	0%
342	Ready mix cement, etc.	3.85	3.80	-0.05	-1%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

Region 5 Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.55	-0.05	-1%
405	Sewer and water works constructions	6.20	6.15	-0.05	-1%
406	Machinery installation, etc.	3.55	3.50	-0.05	-1%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.55	0.00	0%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.40	0.00	0%
412	Wharf construction, etc.	5.95	5.90	-0.05	-1%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.60	-0.05	-1%
503	Stevedoring	5.60	5.55	-0.05	-1%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.15	0.00	0%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.90	0.00	0%
508	Railway operations	1.45	1.45	0.00	0%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	14313367	-1037633	-6.76%
Medical Aid	11186700	11276327	89627	0.80%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	43939416	-947884	-2.11%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69138716	-947884	-1.35%
Excess (loss) of Income over Expenditure	-1702100	-754216	947884	
Excess of Income over Expenditure - WRC	526700	968020	441320	
Total Excess (Loss) of Income over Expenditure	-1175400	213804	1389204	

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5344020	-311680	-5.51%
Medicare Payments	0	753000	753000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	6147020	441320	7.73%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	968020	441320	83.79%

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.60	-0.10	-4%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.65	-0.10	-4%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.60	-0.10	-4%
202	Sawmills, etc.	5.40	5.25	-0.15	-3%
203	Pulpmills, etc.	2.15	2.10	-0.05	-2%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.55	-0.05	-2%
302	Planing mills, etc.	2.60	2.55	-0.05	-2%
303	Brush manufacturing	1.40	1.35	-0.05	-4%
304	Manufacture of stoves, furnaces, etc.	2.60	2.55	-0.05	-2%
305	Foundaries	3.25	3.20	-0.05	-2%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.15	-0.10	-3%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.45	-0.05	-3%
312	Bakeries	1.90	1.85	-0.05	-3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.60	-0.05	-2%
317	Breweries	1.40	1.35	-0.05	-4%
318	Flour, fertilizer, feed mills, etc.	1.80	1.75	-0.05	-3%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.10	-0.05	-4%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.25	-0.05	-2%
331	Hospitals and health care institutions	1.90	1.85	-0.05	-3%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.10	-0.05	-2%
335	Municipal police, fireman, etc.	1.95	1.90	-0.05	-3%
338	Warehousing, etc.	1.20	1.15	-0.05	-4%
340	Steel fabrication, etc.	6.35	6.20	-0.15	-2%
341	Cement products, brick, etc.	1.40	1.35	-0.05	-4%
342	Ready mix cement, etc.	3.85	3.75	-0.10	-3%
343	Fish products	1.85	1.75	-0.10	-5%
344	Finance industries & service industries	0.35	0.35	0.00	0%

All Regions Regionalized
5 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.50	-0.10	-3%
405	Sewer and water works constructions	6.20	6.05	-0.15	-2%
406	Machinery installation, etc.	3.55	3.40	-0.15	-4%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.85	-0.05	-6%
409	Road construction, etc.	3.55	3.50	-0.05	-1%
410	Road maintenance, etc.	2.20	2.10	-0.10	-5%
411	Telephone construction	0.40	0.35	-0.05	-12%
412	Wharf construction, etc.	5.95	5.80	-0.15	-3%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.55	-0.10	-3%
503	Stevedoring	5.60	5.45	-0.15	-3%
504	Express companies	2.35	2.25	-0.10	-4%
505	General trucking, etc.	4.15	4.05	-0.10	-2%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.85	-0.05	-6%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

No Regionalization
W.R.C. 7 Day Operation

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	0	0	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	68384500	0	0.00%
Expenditure:				
Claims:				
Loss of Earnings	15351000	14120008	-1230992	-8.02%
Medical Aid	11186700	11666683	479983	4.29%
Rehabilitation	2576100	2576079	-21	-0.00%
Permanent Partial Disability	1809300	1809311	11	0.00%
Permanent Total Disability	221800	221782	-18	-0.01%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2509955	55	0.00%
- burial	16900	16918	18	0.11%
8% to Pension	118500	118503	3	0.00%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	945900	945900	0	0.00%
Total Expenditure	44887300	44136413	-750887	-1.67%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5378900	0	0.00%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	69335713	-750887	-1.07%
Excess (loss) of Income over Expenditure	-1702100	-951213	750887	
Excess of Income over Expenditure - WRC	526700	4264500	3737800	
Total Excess (Loss) of Income over Expenditure	-1175400	3313287	4488687	

No Regionalization
W.R.C. 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	6214580	558880	9.88%
Medicare Payments	0	5012000	5012000	
Other Income: - Meals	24200	24200	0	0.00%
- Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	11276580	5570880	97.64%
Operating Expenditure				
Patient Services:				
Medical	345000	483000	138000	40.00%
Nursing	297900	417060	119160	40.00%
Occupational Therapy	449000	628600	179600	40.00%
Pain Unit	146900	205660	58760	40.00%
Physiotherapy	608200	851480	243280	40.00%
Prosthetics	204700	286580	81880	40.00%
Psychology	245800	344120	98320	40.00%
Sub-Total Patient Services	2297500	3216500	919000	40.00%
General Service Departments				
Administration	579300	811020	231720	40.00%
Dietary	324300	454020	129720	40.00%
Food	120600	168840	48240	40.00%
Housekeeping	295100	413140	118040	40.00%
Laundry and Linen	73700	103180	29480	40.00%
Medical Records	147900	207060	59160	40.00%
Plant Maintenance	637700	892780	255080	40.00%
Security	74000	103600	29600	40.00%
Transportation	32600	45640	13040	40.00%
Depreciation - building	151900	151900	0	0.00%
- equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	3795580	914080	31.72%
Total Expenditure	5179000	7012080	1833080	35.39%
Excess of Income over Expenditure	526700	4264500	3737800	709.66%

No Regionalization
W.R.C. 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	464400	0	0.00%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3541000	0	0.00%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5983200	0	0.00%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	306900	0	0.00%
Sub-Total Other Charges	602800	602800	0	0.00%
	5380400	5380400	0	0.00%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5378900	0	0.00%

No Regionalization
W.R.C. 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	0	0	
Survivors' Benefits	0	0	0	
	58007400	58007400	0	0.00%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	57061500	0	0.00%

No Regionalization
W.R.C. 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.00	0.00	0%
55	Department of Education	0.00	0.00	0.00	0%
60	New Brunswick Government	0.00	0.00	0.00	0%
65	Silicosis Fund	0.00	0.00	0.00	0%
70	CN Railway	0.00	0.00	0.00	0%
75	Government of Canada	0.00	0.00	0.00	0%
80	CN Ferry and Marine	0.00	0.00	0.00	0%
104	Metal mining and coal mining strip	2.70	2.65	-0.05	-2%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.70	-0.05	-2%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.65	-0.05	-2%
202	Sawmills, etc.	5.40	5.30	-0.10	-2%
203	Pulpmills, etc.	2.15	2.10	-0.05	-2%
204	Logging, logging - tree harvesters	6.15	6.15	0.00	0%
301	Manufacture of wooden articles, etc.	2.60	2.55	-0.05	-2%
302	Planing mills, etc.	2.60	2.60	0.00	0%
303	Brush manufacturing	1.40	1.35	-0.05	-4%
304	Manufacture of stoves, furnaces, etc.	2.60	2.55	-0.05	-2%
305	Foundaries	3.25	3.20	-0.05	-2%
306	Service stations, etc.	1.40	1.40	0.00	0%
309	Food processing, etc.	3.25	3.20	-0.05	-2%
310	Metal products, etc.	1.40	1.40	0.00	0%
311	Plastic products, etc.	1.50	1.45	-0.05	-3%
312	Bakeries	1.90	1.85	-0.05	-3%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.60	-0.05	-2%
317	Breweries	1.40	1.40	0.00	0%
318	Flour, fertilizer, feed mills, etc.	1.80	1.75	-0.05	-3%
320	Dairy products, etc	1.20	1.20	0.00	0%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.10	-0.05	-4%
328	Hospitality, etc.	0.90	0.90	0.00	0%
329	Printing	0.35	0.35	0.00	0%
330	Cardboard box manufacturing, etc.	2.30	2.25	-0.05	-2%
331	Hospitals and health care institutions	1.90	1.85	-0.05	-3%
332	Wholesale and retail trade, etc.	0.55	0.55	0.00	0%
334	Farming, etc.	2.15	2.10	-0.05	-2%
335	Municipal police, firemen, etc.	1.95	1.90	-0.05	-3%
338	Warehousing, etc.	1.20	1.15	-0.05	-4%
340	Steel fabrication, etc.	6.35	6.25	-0.10	-2%
341	Cement products, brick, etc.	1.40	1.35	-0.05	-4%
342	Ready mix cement, etc.	3.85	3.75	-0.10	-3%
343	Fish products	1.85	1.80	-0.05	-3%
344	Finance industries & service industries	0.35	0.35	0.00	0%

No Regionalization
W.R.C. 7 Day Operation

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.50	-0.10	-3%
405	Sewer and water works constructions	6.20	6.05	-0.15	-2%
406	Machinery installation, etc.	3.55	3.45	-0.10	-3%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.90	0.00	0%
409	Road construction, etc.	3.55	3.50	-0.05	-1%
410	Road maintenance, etc.	2.20	2.15	-0.05	-2%
411	Telephone construction	0.40	0.35	-0.05	-12%
412	Wharf construction, etc.	5.95	5.85	-0.10	-2%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.55	-0.10	-3%
503	Stevedoring	5.60	5.50	-0.10	-2%
504	Express companies	2.35	2.30	-0.05	-2%
505	General trucking, etc.	4.15	4.10	-0.05	-1%
506	Marine transportation	2.60	2.60	0.00	0%
507	Bus transportation and taxi services	0.90	0.85	-0.05	-6%
508	Railway operations	1.45	1.40	-0.05	-3%
509	Air transportation	0.55	0.55	0.00	0%
511	Garbage services, etc.	3.95	3.95	0.00	0%
512	Fuel services, etc.	1.35	1.30	-0.05	-4%

Provincial Government Inclusion
and Medicare Transfer

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Assessments	54675400	54675400	0	0.00%
Government Assessments	0	2412030	2412030	
Investment and Sundry Income	13709100	13709100	0	0.00%
Total Income	68384500	70796530	2412030	3.53%
Expenditure:				
Claims:				
Loss of Earnings	15351000	16366393	1015393	6.61%
Medical Aid	11186700	6578034	-4608666	-41.20%
Rehabilitation	2576100	2617160	41060	1.59%
Permanent Partial Disability	1809300	1996311	187011	10.34%
Permanent Total Disability	221800	278784	56984	25.69%
Extended Earnings Loss	2379900	2379897	-3	-0.00%
Fatal - awards	2509900	2830443	320543	12.77%
- burial	16900	17961	1041	6.16%
85% to Pension	118500	124341	5841	4.93%
Prior Years and Second Injury	2492300	2492377	77	0.00%
Provision for Outstanding Claims	1779000	1779000	0	0.00%
Upgraded Pensions	3500000	3500000	0	0.00%
Amortization of Unfunded Liability	965900	965900	0	0.00%
Total Expenditure	44887300	41906581	-2980719	-6.64%
Transfer to Liability for Pension Awards	13089600	13089600	0	0.00%
Transfer to Liability for Outstanding Claims	4937000	4937000	0	0.00%
Administration	5378900	5634800	255900	4.76%
Grants	1553200	1553200	0	0.00%
Assessments Written Off	240600	240600	0	0.00%
	70086600	67361781	-2724819	-3.89%
Excess (loss) of Income over Expenditure	-1702100	3434769	5136869	
Excess of Income over Expenditure - WRC	526700	526700	0	
Total Excess (Loss) of Income over Expenditure	-1175400	3961469	5136869	

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WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

WORKERS' REHABILITATION CENTRE
STATEMENT OF INCOME AND EXPENDITURE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Income				
Workers' Compensation Board	5655700	5655700	0	0.00%
Medicare Payments	0	0	0	
Other Income: · Meals	24200	24200	0	0.00%
· Recoveries and Sales	25800	25800	0	0.00%
Total Income	5705700	5705700	0	0.00%
Operating Expenditure				
Patient Services:				
Medical	345000	345000	0	0.00%
Nursing	297900	297900	0	0.00%
Occupational Therapy	449000	449000	0	0.00%
Pain Unit	146900	146900	0	0.00%
Physiotherapy	608200	608200	0	0.00%
Prosthetics	204700	204700	0	0.00%
Psychology	245800	245800	0	0.00%
Sub-Total Patient Services	2297500	2297500	0	0.00%
General Service Departments				
Administration	579300	579300	0	0.00%
Dietary	324300	324300	0	0.00%
Food	120600	120600	0	0.00%
Housekeeping	295100	295100	0	0.00%
Laundry and Linen	73700	73700	0	0.00%
Medical Records	147900	147900	0	0.00%
Plant Maintenance	637700	637700	0	0.00%
Security	74000	74000	0	0.00%
Transportation	32600	32600	0	0.00%
Depreciation · building	151900	151900	0	0.00%
· equipment	53000	53000	0	0.00%
Interest	391400	391400	0	0.00%
Sub-Total General Services	2881500	2881500	0	0.00%
Total Expenditure	5179000	5179000	0	0.00%
Excess of Income over Expenditure	526700	526700	0	0.00%

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WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF ADMINISTRATION EXPENSE
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Cleaning and Maintenance	33600	33600	0	0.00%
Data Processing	15100	15100	0	0.00%
Depreciation: - Office Building	47200	47200	0	0.00%
- Office Equipment	87300	87300	0	0.00%
- Motor Vehicles	48500	48500	0	0.00%
Employee Benefits	464400	458400	-6000	-1.29%
General	114600	114600	0	0.00%
Insurance	27900	27900	0	0.00%
Light and Heat	60400	60400	0	0.00%
Office Equipment	6300	6300	0	0.00%
Policy and Research Committee	8200	8200	0	0.00%
Postage	113100	113100	0	0.00%
Printing and Supplies	125600	125600	0	0.00%
Professional Serv. - Audit,Actuarial,Legal	273900	273900	0	0.00%
- Management Consultants	141600	141600	0	0.00%
Rental: - Equipment	153200	153200	0	0.00%
- Branch Offices	39600	39600	0	0.00%
Salaries	3541000	3494500	-46500	-1.31%
Taxes	77300	77300	0	0.00%
Telephone	233900	233900	0	0.00%
Travelling: - Personnel	124400	124400	0	0.00%
- Motor Vehicles	48700	48700	0	0.00%
Workers' Advocates	188700	188700	0	0.00%
Workers' Compensation Assessment	8700	8700	0	0.00%
	5983200	5930700	-52500	-0.88%
Less: Proportion Charged to:				
Canadian National Railway	174700	174700	0	0.00%
Canadian Government	121200	121200	0	0.00%
New Brunswick Government	306900	0	-306900	-100.00%
Sub-Total Other Charges	602800	295900	-306900	-50.91%
	5380400	5634800	254400	4.73%
Less: Revenue from Rentals	1500	1500	0	0.00%
Total Expense	5378900	5633300	254400	4.73%

WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

SUMMARY OF UNFUNDED LIABILITY
Year Ended December 31, 1986

	Actual 1986	Proposed 1986	Change $	Change %
Balance, beginning of year	51265500	51265500	0	0.00%
Add: Legislated Benefit	6741900	6741900	0	0.00%
Actuarial Adjustment	0	0	0	
Government Inclusion	0	15000000	15000000	
Survivors' Benefits	0	0	0	
	58007400	73007400	15000000	25.86%
Less: Amortization	945900	945900	0	0.00%
Total	57061500	72061500	15000000	26.29%

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WORKERS' COMPENSATION BOARD
OF THE PROVINCE OF NEW BRUNSWICK

1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
50	N.B. Liquor Corporation	0.00	0.75	0.75	0%
55	Department of Education	0.00	0.20	0.20	0%
60	New Brunswick Government	0.00	0.80	0.80	0%
65	Silicosis Fund	0.00	0.50	0.50	0%
70	CN Railway	0.00	0.50	0.50	0%
75	Government of Canada	0.00	0.50	0.50	0%
80	CN Ferry and Marine	0.00	0.50	0.50	0%
104	Metal mining and coal mining strip	2.70	2.35	-0.35	-13%
105	Potash mining	2.20	2.20	0.00	0%
106	Quarrying stone, etc.	2.75	2.40	-0.35	-13%
110	Engineering services, etc.	0.40	0.40	0.00	0%
111	Peat moss mining	2.70	2.25	-0.45	-17%
202	Sawmills, etc.	5.40	4.80	-0.60	-11%
203	Pulpmills, etc.	2.15	2.00	-0.15	-7%
204	Logging, logging - tree harvesters	6.15	5.50	-0.65	-11%
301	Manufacture of wooden articles, etc.	2.60	2.25	-0.35	-13%
302	Planing mills, etc.	2.60	2.25	-0.35	-13%
303	Brush manufacturing	1.40	1.20	-0.20	-14%
304	Manufacture of stoves, furnaces, etc.	2.60	2.30	-0.30	-12%
305	Foundaries	3.25	3.20	-0.05	-2%
306	Service stations, etc.	1.40	1.20	-0.20	-14%
309	Food processing, etc.	3.25	2.90	-0.35	-11%
310	Metal products, etc.	1.40	1.20	-0.20	-14%
311	Plastic products, etc.	1.50	1.25	-0.25	-17%
312	Bakeries	1.90	1.55	-0.35	-18%
313	Oil refineries	1.15	1.15	0.00	0%
315	Textiles	2.65	2.30	-0.35	-13%
317	Breweries	1.40	1.20	-0.20	-14%
318	Flour, fertilizer, feed mills, etc.	1.80	1.65	-0.15	-8%
320	Dairy products, etc	1.20	1.00	-0.20	-17%
321	Tea packing, spice mills, etc.	2.00	2.00	0.00	0%
324	Shoes, leather products, etc.	0.60	0.60	0.00	0%
325	Radio, television stations, etc.	0.40	0.40	0.00	0%
326	Clothing manufacture, etc.	1.00	1.00	0.00	0%
327	Laundries, etc.	1.15	1.00	-0.15	-13%
328	Hospitality, etc.	0.90	0.80	-0.10	-11%
329	Printing	0.35	0.30	-0.05	-14%
330	Cardboard box manufacturing, etc.	2.30	2.00	-0.30	-13%
331	Hospitals and health care institutions	1.90	1.60	-0.30	-16%
332	Wholesale and retail trade, etc.	0.55	0.50	-0.05	-9%
334	Farming, etc.	2.15	2.00	-0.15	-7%
335	Municipal police, fireman, etc.	1.95	1.85	-0.10	-5%
338	Warehousing, etc.	1.20	1.00	-0.20	-17%
340	Steel fabrication, etc.	6.35	5.70	-0.65	-10%
341	Cement products, brick, etc.	1.40	1.20	-0.20	-14%
342	Ready mix cement, etc.	3.85	3.65	-0.20	-5%
343	Fish products	1.85	1.55	-0.30	-16%
344	Finance industries & service industries	0.35	0.35	0.00	0%

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WORKERS' COMPENSATION BOARD
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1988 Assessment Rates by Group

Rate Group	Industry Description	1988 Actual Rate	1988 Proposed Rate	Change $	Change %
401	Government work projects	2.65	2.65	0.00	0%
403	Building construction	3.60	3.35	-0.25	-7%
405	Sewer and water works constructions	6.20	5.95	-0.25	-4%
406	Machinery installation, etc.	3.55	3.15	-0.40	-11%
407	Bridge construction	4.85	4.85	0.00	0%
408	Power construction, etc.	0.90	0.75	-0.15	-17%
409	Road construction, etc.	3.55	3.10	-0.45	-13%
410	Road maintenance, etc.	2.20	1.85	-0.35	-16%
411	Telephone construction	0.40	0.35	-0.05	-12%
412	Wharf construction, etc.	5.95	5.40	-0.55	-9%
416	Drydocks, etc.	8.05	8.05	0.00	0%
502	Fishing	3.65	3.35	-0.30	-8%
503	Stevedoring	5.60	5.05	-0.55	-10%
504	Express companies	2.35	2.00	-0.35	-15%
505	General trucking, etc.	4.15	3.70	-0.45	-11%
506	Marine transportation	2.60	2.45	-0.15	-6%
507	Bus transportation and taxi services	0.90	0.80	-0.10	-11%
508	Railway operations	1.45	1.25	-0.20	-14%
509	Air transportation	0.55	0.50	-0.05	-9%
511	Garbage services, etc.	3.95	3.80	-0.15	-4%
512	Fuel services, etc.	1.35	1.15	-0.20	-15%

Woods Gordon

16. OTHER ORGANIZATIONAL & FACILITIES COSTS

			Recommendation
1. "Director" Client Services Salary 65,000 x .13 = $73,450 Secretarial support 20,000		$ 93,450	#42
2. Employer Advocates - 2 @ 40,000 x .13		90,400	#113
Secretarial support		20,000	
Travel and Accommodation (100,000 miles) (300 person days)		50,000	
3. Add 2 medical officers @ $80,000 x .13		180,800	#100
4. Add 1-800-French		50,000	#87
5. Add 2 Claims Officers 2 x (37,500 x .13)		84,750	#81
6. Facilities renovation for claims		1,000,000	#79
7. Communications Department:			
Salaries - Dept. Head	$50,000		
Admin. Asst. Researcher	27,500		
Data Processing	22,000	115,000	#49
Radio and T.V. Advertising and Communications		500,000	#75
Total Increase 1st year		$2,184,400	
Annual Thereafter		$1,184,400	